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The Code of Federal Regulations is sold by the Superintendent of Documents.

DEPARTMENT OF THE INTERIOR

Office of Surface Mining Reclamation and Enforcement

30 CFR Part 938

[SATS No. PA–164–FOR; Docket No. OSM–2016–0013; S1D1S SS08011000 SX064A000 178S180110; S2D2S SS08011000 SX064A000 17XS501520]

Pennsylvania Regulatory Program

AGENCY: Office of Surface Mining Reclamation and Enforcement (OSMRE), Interior.

ACTION: Final rule; approval of amendment.

SUMMARY: We, the Office of Surface Mining Reclamation and Enforcement (OSMRE), are approving an amendment to the Pennsylvania regulatory program (Pennsylvania program) under the Surface Mining Control and Reclamation Act of 1977 (SMCRA or the Act). This amendment revises the Pennsylvania program to further define the implementation process for the reclamation of alternative bonding system (ABS) ''Legacy Sites,'' and to clearly identify the current list of Legacy Sites, as well as sites that may qualify in the future as Legacy Sites.

DATES: Effective August 9, 2017.

FOR FURTHER INFORMATION CONTACT: Mr. Ben Owens, Chief, Pittsburgh Field Division, Office of Surface Mining Reclamation and Enforcement, 3 Parkway Center, Pittsburgh, PA 15220, Telephone: (412) 937–2827, Email: *bowens@osmre.gov*.

SUPPLEMENTARY INFORMATION:

I. Background on the Pennsylvania Program
II. Submission of the Amendment
III. OSMRE's Findings
IV. Summary and Disposition of Comments
V. OSMRE's Decision
VI. Procedural Determinations

I. Background on the Pennsylvania 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 State program includes, among other things, State laws and regulations that govern surface coal mining and reclamation operations in accordance with the Act and consistent with the Federal regulations. See 30 U.S.C. 1253(a)(1) and (7). On the basis of these criteria, the Secretary of the Interior conditionally approved the Pennsylvania program on July 30, 1982. You can find additional background information on the Pennsylvania program, including the Secretary's findings, the disposition of comments, and conditions of approval in the July 30, 1982, **Federal Register**, (47 FR 33050). You can also find later actions concerning Pennsylvania's program and program amendments at 30 CFR 938.11, 938.12, 938.13, 938.15 and 938.16.

By letter dated August 1, 2008 (Administrative Record Number PA 802.43), Pennsylvania sent us a proposed program amendment that was intended to satisfy a required amendment that was imposed by OSMRE in a final rule published in the **Federal Register** on May 31, 1991, (56 FR 24687), and codified in the Federal regulations at 30 CFR 938.16(h). This proposed program amendment, hereinafter referred to as the ''ABS Program Amendment,'' was also intended to satisfy requirements of an October 1, 1991, letter sent to the state pursuant to the Federal regulations at 30 CFR 732.17 (the ''732 letter''). Among other things, the August 1, 2008, amendment proposed significant changes to the State's revenue raising mechanism for the treatment of pollutional discharges at ABS Legacy Sites. The term ''Legacy Sites'' is defined in Section III, below.

On August 10, 2010, we published a **Federal Register** notice announcing our partial approval of the ABS program amendment. 75 FR 48526. The only issue preventing a complete approval was that Pennsylvania had not demonstrated that there was sufficient bond money to cover the cost of land reclamation on two known active surface coal mining sites. On October 1, 2010, Pennsylvania submitted an amendment containing the necessary demonstration of sufficient reclamation funds. OSMRE approved this amendment on September 17, 2015, (see 80 FR 55746), and removed the aforementioned required amendment at 30 CFR 938.16(h).

II. Submission of the Amendment

By letter dated November 14, 2016 (Administrative Record No. PA 897.00), Pennsylvania sent us an amendment to its program under SMCRA (30 U.S.C. 1201 *et seq.*).

We announced receipt of the proposed amendment in the March 10, 2017, **Federal Register** (82 FR 13268). In the same document, we opened the public comment period and provided an opportunity for a public hearing or meeting on the adequacy of the amendment. OSMRE received four public comments. The public comment period ended on April, 10, 2017. No public hearing or meeting was requested.

III. OSMRE's Findings

Pennsylvania submitted this program amendment to further define how the Pennsylvania Department of Environmental Protection (''Department'') will implement its obligation under the approved ABS Program Amendment consistent with OSMRE oversight. As defined in 25 Pa. Code § 86.1, ''ABS Legacy Sites'' are ''[m]ine sites, permitted under the Primacy Alternate Bonding System [ABS], that have a postmining pollutional discharge where the operator has defaulted on its obligation to adequately treat the discharge and, either the bond posted for the site is insufficient to cover the cost of treating the discharge, or a trust to cover the costs of treating the discharge was not fully funded and is insufficient to cover the cost of treating the discharge.'' The following are the issues Pennsylvania addressed in its submittal.

A. The amendment contains a current list of ABS Legacy Sites.

B. The amendment provides a process for moving sites from the list of potential ABS Legacy Sites to the list of ABS Legacy Sites. Sites may become ABS Legacy Sites if a bond forfeiture occurs, or under the circumstances set forth in paragraph C, below.

C. The amendment includes the mechanisms by which a site can be added to the list of ABS Legacy Sites if bond release was improperly granted, or if the bond or trust fund is subsequently determined to be inadequate for certain specified reasons.

D. The amendment provides the criteria that must be met in order for a mine to be removed from the list of ABS Legacy Sites. Removal from the list may occur if there is no longer a post-mining discharge requiring treatment, if the amount of bond posted becomes sufficient to guarantee adequate treatment of discharges, or if a fully funded trust fund is established that will guarantee discharge treatment in perpetuity.

E. The amendment requires the Department to request concurrence from OSMRE, consistent with its oversight authority, when sites are being added to or removed from the list of ABS Legacy Sites or from the list of potential ABS Legacy Sites. This concurrence will be requested in writing through a letter or email message to the Pittsburgh Field Division, Harrisburg Office. The concurrence request will include a justification of the action. After the concurrence is received, the Department will publish the notice in the Pennsylvania Bulletin.

F. The amendment provides schedules for completion of land reclamation at ABS bond forfeiture sites, and for installation and completion of ABS Legacy Site postmining discharge treatment systems.

G. The amendment requires the State to submit annual reports to OSMRE on the progress toward installation and completion of ABS Legacy Site postmining treatment systems.

H. The amendment states that sites covered by ''mixed site trusts,'' (used for discharges from multiple mines that include both ABS and non-ABS sites), ''partially funded trusts,'' and ''Department-directed trusts'' will continue to be considered ABS Legacy Sites.

We have determined that the amendment contains no provisions that are inconsistent with SMCRA and its implementing regulations, and are therefore approving it. However, our approval of the provision allowing a site to be added to the list of ABS Legacy Sites if bond release was improperly granted is with the understanding that, prior to reclassifying such a site as an ABS Legacy Site, the Department must take action, as appropriate, to require the operator to reclaim the site. If the permittee no longer exists or is insolvent, and is therefore unable to complete reclamation, the Department must ensure that any permittees, and the entities and operators that are owned and controlled by them, are linked to any unabated violations and/or bond forfeitures resulting from the site as appropriate.

IV. Summary and Disposition of Comments

Public Comments

We asked for public comments and requests for public hearings or meetings regarding the amendment. We received responses from PennFUTURE and from three individuals: Nolan Murphy-Genao, Sue McLendon, and Stephen Mee. The following summarizes the comments and our responses to them.

PennFUTURE: PennFUTURE agreed with approving the proposed amendment, stating that it has no course-reversing effect on the approved State program. Instead, PennFUTURE said that it advances the objectives of the previously approved elements of the Pennsylvania Regulatory Program and enhances them by adding clarity, certainty and transparency to the approved mechanisms.

OSMRE's Response: We agree with the commenter, and are approving the amendment.

Other Commenters: The three remaining commenters provided comments related to the regulation and enforcement of surface coal mining in general and did not provide specific substantive comments on the amendment proposed.

OSMRE's Response: The comments provided are not germane to the question of approval or disapproval of this amendment.

Federal Agency Comments

On November 16, 2016 (Administrative Record PA 897.01), under 30 CFR 732.17(h)(11)(i) and section 503(b) of SMCRA, we requested comments on the amendment from various Federal agencies with an actual or potential interest in the Pennsylvania program. We did not receive any comments.

Environmental Protection Agency (EPA) Concurrence and Comments

Under Federal regulations at 30 CFR 732.17(h)(11)(ii), we are required to get a written concurrence from EPA for those provisions of the program amendment that relate to air or water quality standards issued under the authority of the Clean Water Act (33 U.S.C. 1251 *et seq.*) or the Clean Air Act (42 U.S.C. 7401 *et seq.*). None of the revisions that Pennsylvania proposed to make in this amendment pertain to air or water quality standards. Therefore, we did not ask EPA to concur on the amendment. However, on November 16, 2016, we requested comments from the EPA on the amendment. The EPA responded in a letter dated January 6, 2017, stating, ''The EPA has reviewed the proposed amendment and will not be providing comments.'' (Administrative Record PA 897.02).

V. OSMRE's Decision

Based on the above finding, we are approving Pennsylvania's amendment that was submitted on November 14, 2016.

To implement this decision, we are amending the Federal regulations, at 30 CFR part 938, that codify decisions concerning the Pennsylvania program. Section 503(a) of SMCRA requires that the State's program demonstrate that the State has the capability of carrying out the provisions of the Act and meeting its purposes. SMCRA requires consistency of State and Federal standards.

VI. Procedural Determinations

Executive Order 12630—Takings

This rule does not have takings implications. This determination is based on the analysis performed for the counterpart Federal regulation.

Executive Order 12866—Regulatory Planning and Review

This rule is exempt from review by the Office of Management and Budget under Executive Order 12866.

Executive Order 12988—Civil Justice Reform

The Department of the Interior has conducted the reviews required by section 3 of Executive Order 12988 and has determined that this rule meets the applicable standards of subsections (a) and (b) of that section. However, these standards are not applicable to the actual language of State regulatory programs and program amendments because each program is drafted and promulgated by a specific State, not by OSMRE. Under sections 503 and 505 of SMCRA (30 U.S.C. 1253 and 1255) and the Federal regulations at 30 CFR 730.11, 732.15, and 732.17(h)(10), decisions on proposed State regulatory programs and program amendments submitted by the States must be based solely on a determination of whether the submittal is consistent with SMCRA and its implementing Federal regulations and whether the other requirements of 30 CFR parts 730, 731, and 732 have been met.

Executive Order 13132—Federalism

This rule does not have Federalism implications. SMCRA delineates the roles of the Federal and State governments with regard to the regulation of surface coal mining and reclamation operations. One of the purposes of SMCRA is to ''establish a nationwide program to protect society

and the environment from the adverse effects of surface coal mining operations.'' Section 503(a)(1) of SMCRA requires that State laws regulating surface coal mining and reclamation operations be ''in accordance with'' the requirements of SMCRA, and section 503(a)(7) requires that State programs contain rules and regulations ''consistent with'' regulations issued by the Secretary pursuant to SMCRA.

Executive Order 13175—Consultation and Coordination With Indian Tribal Governments

In accordance with Executive Order 13175, we have evaluated the potential effects of this rule on Federally-recognized Indian tribes and have determined that the rule does not have substantial direct effects on one or more Indian tribes, on the relationship between the Federal Government and Indian tribes, or on the distribution of power and responsibilities between the Federal Government and Indian tribes. The basis for this determination is that our decision is on a State regulatory program and does not involve a Federal regulation involving Indian lands.

Executive Order 13211—Regulations That Significantly Affect the Supply, Distribution, or Use of Energy

Executive Order 13211 of May 18, 2001, which requires agencies to prepare a Statement of Energy Effects for a rule that is (1) considered significant under Executive Order 12866, and (2) likely to have a significant adverse effect on the supply, distribution, or use of energy. Because this rule is exempt from review under Executive Order 12866 and is not expected to have a significant adverse effect on the supply, distribution, or use of energy, a Statement of Energy Effects is not required.

National Environmental Policy Act

This rule does not require an environmental impact statement because section 702(d) of SMCRA (30 U.S.C. 1292(d)) provides that agency decisions on proposed State regulatory program provisions do not constitute major Federal actions within the meaning of section 102(2)(C) of the National Environmental Policy Act (42 U.S.C. 4332(2)(C)).

Paperwork Reduction Act

This rule does not contain information collection requirements that require approval by OMB under the Paperwork Reduction Act (44 U.S.C. 3507 *et seq.*).

Regulatory Flexibility Act

The Department of the Interior certifies that this rule will not have a significant economic impact on a substantial number of small entities under the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*). The State submittal, which is the subject of this rule, is based upon counterpart Federal regulations for which an economic analysis was prepared and certification made that such regulations would not have a significant economic effect upon a substantial number of small entities. In making the determination as to whether this rule would have a significant economic impact, the Department relied upon the data and assumptions for the counterpart Federal regulations.

Small Business Regulatory Enforcement Fairness Act

This rule is not a major rule under 5 U.S.C. 804(2), the Small Business Regulatory Enforcement Fairness Act. This rule: (a) Does not have an annual effect on the economy of $100 million; (b) Will not cause a major increase in costs or prices for consumers, individual industries, Federal, State, or local government agencies, or geographic regions; and (c) Does not have significant adverse effects on competition, employment, investment, productivity, innovation, or the ability of U.S.-based enterprises to compete with foreign-based enterprises. This determination is based upon the analysis performed under various laws and executive orders for the counterpart Federal regulations.

Unfunded Mandates

This rule will not impose an unfunded mandate on State, local, or tribal governments or the private sector of $100 million or more in any given year. This determination is based upon the analysis performed under various laws and executive orders for the counterpart Federal regulations.

List of Subjects in 30 CFR Part 938

Intergovernmental relations, Surface mining, Underground mining.

Dated: May 31, 2017.

Thomas D. Shope,

Regional Director, Appalachian Region.

For the reasons set out in the preamble, 30 CFR part 938 is amended as set forth below:

PART 938—PENNSYLVANIA

■ 1. The authority citation for part 938 continues to read as follows:

Authority: 30 U.S.C. 1201 *et seq.*

■ 2. Section 938.15 is amended by adding an entry to the table in chronological order by ''Date of publication of final rule'' to read as follows:

§ 938.15 Approval of Pennsylvania regulatory program amendments.

* * * * *

Original amendment submission dates	Date of publication of final rule	Citation/description
*	*	* * * * * *
November 14, 2016	July 10, 2017	Pennsylvania's commitment to the completion of treatment systems for pollutional discharges on ABS Legacy Sites.

[FR Doc. 2017–14376 Filed 7–7–17; 8:45 am]

BILLING CODE 4310–05–P

DEPARTMENT OF DEFENSE

Department of the Navy

32 CFR Part 706

Certifications and Exemptions Under the International Regulations for Preventing Collisions at Sea, 1972

AGENCY: Department of the Navy, DoD.

ACTION: Final rule.

SUMMARY: The Department of the Navy (DoN) is amending its certifications and exemptions under the International Regulations for Preventing Collisions at Sea, 1972 (72 COLREGS), to reflect that the Deputy Assistant Judge Advocate General (DAJAG) (Admiralty and Maritime Law) has determined that certain vessels of the VIRGINIA SSN

Class are vessels of the Navy which, due to their special construction and purpose, cannot fully comply with certain provisions of the 72 COLREGS without interfering with their special function as a naval ships. The intended effect of this rule is to warn mariners in waters where 72 COLREGS apply.

DATES: This rule is effective July 10, 2017 and is applicable beginning June 15, 2017.

FOR FURTHER INFORMATION CONTACT: Lieutenant Commander Kyle Fralick, (Admiralty and Maritime Law), Office of the Judge Advocate General, Department of the Navy, 1322 Patterson Ave. SE., Suite 3000, Washington Navy Yard, DC 20374–5066, telephone 202–685–5040.

SUPPLEMENTARY INFORMATION: Pursuant to the authority granted in 33 U.S.C. 1605, the DoN amends 32 CFR part 706.

This amendment provides notice that the DAJAG (Admiralty and Maritime Law), under authority delegated by the Secretary of the Navy, has certified that certain vessels of the SSN Class are vessels of the Navy which, due to their special construction and purpose, cannot fully comply with the following specific provisions of 72 COLREGS without interfering with their special function as a naval ship: Rule 23(a) and Annex I, paragraph 2(a)(i), pertaining to the vertical placement of the masthead, light and Annex I, paragraph 2(f)(i), pertaining to VIRGINIA class submarine masthead light location below the submarine identification lights; Rule 30 (a)(i), Rule 21(e), and Annex I, paragraph 2(k), pertaining to the vertical separation of the anchor lights, vertical placement of the forward anchor light above the hull, and the arc of visibility of all around lights; Rule 23 (a) and Annex I, paragraph 3(b), pertaining to the location of the sidelights; and Rule 21(c), pertaining to the location and arc of visibility of the sternlight. The DAJAG (Admiralty and Maritime Law) has also certified that the lights involved are located in closest possible compliance with the applicable 72 COLREGS requirements.

Moreover, it has been determined, in accordance with 32 CFR parts 296 and 701, that publication of this amendment for public comment prior to adoption is impracticable, unnecessary, and contrary to public interest since it is based on technical findings that the placement of lights on these vessels in a manner differently from that prescribed herein will adversely affect these vessel's ability to perform their military functions.

List of Subjects in 32 CFR Part 706

Marine safety, Navigation (water), Vessels.

For the reasons set forth in the preamble, the DoN amends part 706 of title 32 of the Code of Federal Regulations as follows:

PART 706—CERTIFICATIONS AND EXEMPTIONS UNDER THE INTERNATIONAL REGULATIONS FOR PREVENTING COLLISIONS AT SEA, 1972

■ 1. The authority citation for part 706 continues to read as follows:

Authority: 33 U.S.C. 1605.

■ 2. Section 706.2 is amended by:

■ a. In Table One, adding, in alpha numerical order, by vessel number, an entry for USS COLORADO (SSN 788);

■ b. In Table Three, adding, in alpha numerical order, by vessel number, an entry for USS COLORADO (SSN 788); and

■ c. In Table Four:

■ i. Under paragraph 25, by adding, in alpha numerical order, by vessel number, an entry for USS COLORADO (SSN 788); and

■ ii. Under paragraph 26, by adding, in alpha numerical order, by vessel number, an entry for USS COLORADO (SSN 788).

The additions read as follows:

§ 706.2 Certifications of the Secretary of the Navy under Executive Order 11964 and 33 U.S.C. 1605.

* * * * *

TABLE ONE

Vessel	Number	Distance in meters of forward masthead light below minimum required height § 2(a)(i) Annex I
*	*	*
USS COLORADO	SSN 788	2.76
*	*	*

* * * * *

TABLE THREE

Vessel	Number	Masthead lights arc of visibility; rule 21(a)	Side lights arc of visibility; rule 21(b)	Stern light arc of visibility; rule 21(c)	Side lights, distance inboard of ship's sides in meters 3(b) annex 1	Stern light, distance forward of stern in meters; rule 21(c)	Forward anchor light, height above hull in meters; 2(K) annex 1	Anchor lights relationship of aft light to forward light in meters 2(K) annex 1
*	*	*	*	*	*	*	*	
USS COLORADO	SSN 788			205.0°	4.37	11.05	2.8	0.30 below.
*	*	*	*	*	*	*	*	

25. * * *

TABLE FOUR

Vessel	Number	Distance in meters of masthead light below the submarine identification lights
* * * *	* * *	
USS COLORADO	SSN 788	0.81

26. * * *

Vessel	Number	Obstruction angle relative to ship's headings	
		Forward anchor light	Aft anchor light
* * * *	* * *		
USS COLORADO	SSN 788	172° to 188°	359° to 1°.

* * * * *

Approved: June 15, 2017.

A.S. Janin,

Captain, JAGC, U.S. Navy, Deputy Assistant Judge Advocate, General (Admiralty and Maritime Law Division).

Dated: June 27, 2017.

A.M. Nichols,

Lieutenant Commander, Judge Advocate General's Corps, U.S. Navy, Federal Register Liaison Officer.

[FR Doc. 2017–13960 Filed 7–7–17; 8:45 am]

BILLING CODE 3810–FF–P

DEPARTMENT OF HOMELAND SECURITY

Coast Guard

33 CFR Part 165

[Docket Number USCG–2017–0448]

RIN 1625–AA87

Security Zone; Potomac River, Montgomery County, MD

AGENCY: Coast Guard, DHS.

ACTION: Interim rule and request for comments.

SUMMARY: This interim rule establishes a security zone encompassing certain waters of the Potomac River. This action is necessary to prevent waterside threats and incidents immediately before, during and after events held at the Trump National Golf Club at Potomac Falls, VA. This rule prohibits vessels and people from entering the security zone and requires vessels and persons in the security zone to depart the security zone, unless specifically exempt under the provisions in this rule or granted specific permission from the Coast Guard Captain of the Port Maryland-National Capital Region or designated representative. The regulation will enhance the safety and security of persons and property, while minimizing, to the extent possible, the impact on commerce and legitimate waterway use. We invite your comments on this rulemaking.

DATES: This rule is effective without actual notice from July 10, 2017. For the purposes of enforcement, actual notice will be used from June 22, 2017 until July 10, 2017. Comments and related material must be received by the Coast Guard on or before August 9, 2017.

ADDRESSES: Documents mentioned in this preamble are part of Docket Number USCG–2017–0448. To view documents mentioned in this preamble as being available in the docket, go to *http://www.regulations.gov,* type the docket number in the ''SEARCH'' box and click ''SEARCH.'' Click on ''Open Docket Folder'' on the line associated with this rulemaking. You may submit comments, identified by docket number, using the Federal eRulemaking Portal at *http://www.regulations.gov.* See the ''Public Participation and Request for Comments'' portion of the **SUPPLEMENTARY INFORMATION** section for further instructions on submitting comments.

FOR FURTHER INFORMATION CONTACT: If you have questions about this rulemaking, call or email Mr. Ronald L. Houck, at Sector Maryland-National Capital Region Waterways Management Division, U.S. Coast Guard; telephone 410–576–2674, email *Ronald.L.Houck@uscg.mil.*

SUPPLEMENTARY INFORMATION:

I. Table of Abbreviations

CFR Code of Federal Regulations
COTP Captain of the Port
DHS Department of Homeland Security
FR Federal Register
NPRM Notice of proposed rulemaking
§ Section
U.S.C. United States Code

II. Regulatory History and Information

On five separate occasions since March 24, 2017, the COTP has established a temporary security zone encompassing certain U.S. navigable waters of the Potomac River during events held at the Trump National Golf Club at Potomac Falls, VA. These security zones were established and enforced at the request of the U.S. Secret Service to support security measures required during visits by high-ranking United States government officials at the golf club.

The Coast Guard is issuing this interim rule without prior notice and opportunity to comment pursuant to authority under section 4(a) of the Administrative Procedure Act (APA) (5 U.S.C. 553(b)). This provision authorizes an agency to issue a rule without prior notice and opportunity to comment when the agency for good cause finds that those procedures are impracticable, unnecessary, or contrary to the public interest. Under 5 U.S.C. 553(b)(B), the Coast Guard finds that good cause exists for not publishing a notice of proposed rulemaking (NPRM) with respect to this rule because doing so would be impracticable and contrary to the public interest to delay the effective date of this rule due to the short time period between event planners notifying the Coast Guard and publication of this security zone. The NPRM process is contrary to the public

interest by delaying the effective date of this rule or foregoing the necessary protections required for persons and property, surrounding and including high-ranking United States officials, given the high risk of injury and damage to high-ranking United States officials and the public. Immediate action is necessary to provide waterway and waterside security and protection for persons and property on and along the Potomac River. The Coast Guard is establishing this security zone to ensure the appropriate level of protection for high-ranking United States officials and the public.

Under 5 U.S.C. 553(d)(3), the Coast Guard finds that good cause exists for making this interim rule effective less than 30 days after publication in the **Federal Register** because doing so would be impracticable and contrary to the public interest. Delaying the effective date would be contrary to the security zone's intended objectives of protecting the high-ranking United States officials and the public, as it would introduce vulnerability to U.S. navigable waterway safety and the security of high-ranking United States officials, as well as that of the general public.

III. Background, Purpose, and Legal Basis

The Coast Guard has given each Coast Guard COTP the ability to implement comprehensive port security regimes designed to safeguard human life, vessels, and waterfront facilities while still sustaining the flow of commerce. On several occasions during events held at the Trump National Golf Club at Potomac Falls, VA, the U.S. Secret Service has requested additional waterside security measures for a gathering of high-ranking United States officials at the golf club. These events are anticipated to continue during the current Presidential term and a permanent security zone will facilitate both the safety and security of these events and the high-ranking officials who attend them. The COTP Maryland-National Capital Region is establishing this security zone to protect high-ranking United States officials and the public, mitigate potential terrorist acts, and enhance public and U.S. navigable waterway safety and security in order to safeguard life, property, and the environment on or near the regulated area.

The purpose of this rulemaking is to enhance public and U.S. navigable waterway safety and security in order to safeguard life, property, and the environment on specified navigable waters of the Potomac River during frequent heightened security events that take place in close proximity to U.S. navigable waterways within the COTP's Area of Responsibility.

The legal basis for the rule is the Coast Guard's authority to establish regulated navigation areas and other limited access areas: 33 U.S.C. 1231; 50 U.S.C. 191, 195; 33 CFR 1.05–1, 6.04–1, 6.04–6, and 160.5; Department of Homeland Security Delegation No. 0170.1.

IV. Discussion of Interim Rule

The Coast Guard is revising regulations at 33 CFR part 165 by adding a security zone. The security zone includes all U.S. navigable waters of the Potomac River, from shoreline to shoreline, within an area bounded on the east by a line connecting the following points: Latitude 39°04′02″ W., longitude 077°19′48″ W., thence south to latitude 39°03′39″ W., longitude 077°20′02″ W., and bounded on the west by longitude 077°22′06″ W., located between Pond Island and Sharpshin Island, in Montgomery County, MD. Entry into the security zone would be prohibited, unless specifically authorized by the COTP Maryland-National Capital Region or a designated representative. Except for public vessels, this rule would require all vessels in the designated security zone as defined by this rule to immediately depart the security zone. Federal, state, and local agencies may assist the Coast Guard in the enforcement of this rule. The duration of the zone is intended to ensure the safety of vessels and the specified navigable waters before, during, and after the event. The COTP Maryland-National Capital Region will notify waterway users and the boating community, via Broadcast Notice to Mariners (BNM), of the duration of the security zone as required to support the periodic occurrence of high security events.

V. Regulatory Analyses

We developed this rule after considering numerous statutes and executive orders (E.O.s) related to rulemaking. Below we summarize our analyses based on a number of these statutes and E.O.s and we discuss First Amendment rights of protestors.

A. Regulatory Planning and Review

E.O.s 12866 and 13563 direct agencies to assess the costs and benefits of available regulatory alternatives and, if regulation is necessary, to select regulatory approaches that maximize net benefits. E.O. 13563 emphasizes the importance of quantifying both costs and benefits, of reducing costs, of harmonizing rules, and of promoting flexibility. This rule has not been designated a ''significant regulatory action,'' under E.O. 12866. Accordingly, the rule has not been reviewed by the Office of Management and Budget.

This regulatory action determination is based on the size, location and duration of the security zone. Moreover, the Coast Guard will issue a Broadcast Notice to Mariners via VHF–FM marine channel 16 about the zone, and access to the zone will be determined in consultation with the lead federal agency on a case-by-case basis when the zone is being enforced.

B. Impact on Small Entities

The Regulatory Flexibility Act of 1980, 5 U.S.C. 601–612, as amended, requires Federal agencies to consider the potential impact of regulations on small entities during rulemaking. The term ''small entities'' comprises small businesses, not-for-profit organizations that are independently owned and operated and are not dominant in their fields, and governmental jurisdictions with populations of less than 50,000. The Coast Guard certifies under 5 U.S.C. 605(b) that this rule would not have a significant economic impact on a substantial number of small entities.

While some owners or operators of vessels that intend to transit the security zone may be small entities, for the reasons stated in section V.A above this rule would not have a significant economic impact on any vessel owner or operator.

If you think that your business, organization, or governmental jurisdiction qualifies as a small entity and that this rule would have a significant economic impact on it, please submit a comment (see **ADDRESSES**) explaining why you think it qualifies and how and to what degree this rule would economically affect it.

Under section 213(a) of the Small Business Regulatory Enforcement Fairness Act of 1996 (Public Law 104–121), we want to assist small entities in understanding this rule. If the rule would affect your small business, organization, or governmental jurisdiction and you have questions concerning its provisions or options for compliance, please contact the person listed in the **FOR FURTHER INFORMATION CONTACT** section. The Coast Guard will not retaliate against small entities that question or complain about this rule or any policy or action of the Coast Guard.

C. Collection of Information

This rule would not call for a new collection of information under the

Paperwork Reduction Act of 1995 (44 U.S.C. 3501–3520).

D. Federalism and Indian Tribal Governments

A rule has implications for federalism under E.O. 13132, Federalism, if it has a substantial direct effect on the States, on the relationship between the national government and the States, or on the distribution of power and responsibilities among the various levels of government. We have analyzed this rule under that Order and have determined that it is consistent with the fundamental federalism principles and preemption requirements described in Executive Order 13132.

Also, this rule does not have tribal implications under E.O. 13175, Consultation and Coordination with Indian Tribal Governments, because it would not have a substantial direct effect on one or more Indian tribes, on the relationship between the Federal Government and Indian tribes, or on the distribution of power and responsibilities between the Federal Government and Indian tribes. If you believe this rule has implications for federalism or Indian tribes, please contact the person listed in the **FOR FURTHER INFORMATION CONTACT** section.

E. Unfunded Mandates Reform Act

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

F. Environment

We have analyzed this rule under Department of Homeland Security Management Directive 023–01 and Commandant Instruction M16475.lD, which guide the Coast Guard in complying with the National Environmental Policy Act of 1969 (42 U.S.C. 4321–4370f), and have made a preliminary determination that this action is one of a category of actions that do not individually or cumulatively have a significant effect on the human environment. This rule involves the establishment of a security zone that prohibits entry on specified waters of the Potomac River during frequently occurring heightened security events. Normally such actions are categorically excluded from further review under paragraph 34(g) of Figure 2–1 of Commandant Instruction M16475.lD. A Record of Environmental Consideration (REC) is available in the docket where indicated under **ADDRESSES**. We seek any comments or information that may lead to the discovery of a significant environmental impact from this rule.

G. Protest Activities

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

VI. Public Participation and Request for Comments

We view public participation as essential to effective rulemaking, and will consider all comments and material received during the comment period. Your comment can help shape the outcome of this rulemaking. If you submit a comment, please include the docket number USCG–2017–0448 for this rulemaking, indicate the specific section of this document to which each comment applies, and provide a reason for each suggestion or recommendation.

We encourage you to submit comments through the Federal eRulemaking Portal at *http://www.regulations.gov.* If your material cannot be submitted using *http://www.regulations.gov,* contact the person in the **FOR FURTHER INFORMATION CONTACT** section of this document for alternate instructions.

We accept anonymous comments. All comments received will be posted without change to *http://www.regulations.gov* and will include any personal information you have provided. For more about privacy and the docket, you may review a Privacy Act notice regarding the Federal Docket Management System in the March 24, 2005, issue of the **Federal Register** (70 FR 15086).

Documents mentioned in this rule as being available in the docket, and all public comments, will be in our online docket at *http://www.regulations.gov* and can be viewed by following that Web site's instructions. Additionally, if you go to the online docket and sign up for email alerts, you will be notified when comments are posted or a final rule is published.

List of Subjects in 33 CFR Part 165

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

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

PART 165—REGULATED NAVIGATION AREAS AND LIMITED ACCESS AREAS

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

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

■ 2. Add § 165.557 to read as follows:

§ 165.557 Security Zone; Potomac River, Montgomery County, MD.

(a) *Definitions.* As used in this section:

Captain of the Port Maryland-National Capital Region means the Commander, U.S. Coast Guard Sector Maryland-National Capital Region or any Coast Guard commissioned, warrant or petty officer who has been authorized by the Captain of the Port to act on his or her behalf.

Designated representative means a Coast Guard commissioned, warrant, or petty officer who has been authorized by the Captain of the Port Maryland-National Capital Region to enforce the security zone described in paragraph (a) of this section.

Public vessel has the same meaning as that term is defined under 46 U.S.C. 2101.

(b) *Location.* The following area is a security zone: All navigable waters of the Potomac River, from shoreline to shoreline, within an area bounded on the east by a line connecting the following points: latitude 39°04′02″ W., longitude 077°19′48″ W., thence south to latitude 39°03′39″ W., longitude 077°20′02″ W., and bounded on the west by longitude 077°22′06″ W., located in Montgomery County, MD. Coordinates used in this section are based on NAD83.

(c) *Regulations.* The general security zone regulations found in § 165.33 apply to the security zone created by this section.

(1) Except for public vessels, entry into or remaining in the security zone described in paragraph (a) of this section is prohibited unless authorized by the Coast Guard Captain of the Port Maryland-National Capital Region. All vessels within the security zone at the time this regulation is enforced shall depart the zone immediately.

(2) Persons and vessel operators who intend to enter or transit the security zone while the zone is being enforced must obtain authorization from the

Captain of the Port Maryland-National Capital Region or designated representative. Access to the zone will be determined in consultation with the lead federal agency on a case-by-case basis when the zone is enforced. To request permission to enter or transit the security zone, the Captain of the Port Maryland-National Capital Region or designated representatives can be contacted at telephone number 410–576–2693 or on marine band radio, VHF–FM channel 16 (156.8 MHz). Coast Guard vessels that enforce this section can be contacted on marine band radio, VHF–FM channel 16 (156.8 MHz). The operator of a vessel shall proceed as directed upon being hailed by a U.S. Coast Guard vessel, or other Federal, State, or local law enforcement agency vessel, by siren, radio, flashing light, or other means. When authorized by the Coast Guard to enter the security zone all persons and vessels must comply with the instructions of the Captain of the Port Maryland-National Capital Region or designated representative and proceed at the minimum speed necessary to maintain a safe course while within the security zone.

(3) The U.S. Coast Guard may be assisted by federal, state, and local law enforcement agencies in the patrol and enforcement of the security zone described in paragraph (a) of this section.

(d) *Enforcement.* The Captain of the Port Maryland-National Capital Region will provide the affected segments of the public with notice of enforcement of security zone by Broadcast Notice to Mariners (BNM), Local Notice to Mariners, and on-scene notice by designated representative or other appropriate means in accordance with 33 CFR 165.7.

Dated: June 22, 2017.

M.W. Batchelder,

Commander, U.S. Coast Guard, Acting Captain of the Port Maryland-National Capital Region.

[FR Doc. 2017–14395 Filed 7–7–17; 8:45 am]

BILLING CODE 9110–04–P

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Parts 52 and 81

[EPA–R05–OAR–2016–0137; FRL–9964–63–Region 5]

Air Plan Approval; Indiana; Redesignation of the Muncie Area to Attainment of the 2008 Lead Standard; Withdrawal of Direct Final Rule

AGENCY: Environmental Protection Agency (EPA).

ACTION: Withdrawal of direct final rule.

SUMMARY: Due to the receipt of an adverse comment, the Environmental Protection Agency (EPA) is withdrawing the May 30, 2017, direct final rule approving the redesignation of the Muncie nonattainment area to attainment for the 2008 national ambient air quality standards (NAAQS) for lead, the state's plan for maintaining the 2008 lead NAAQS through 2030 for the area, and the 2013 attainment year emissions inventory for the area.

DATES: The direct final rule published at 82 FR 24553 on May 30, 2017, is withdrawn effective July 10, 2017.

FOR FURTHER INFORMATION CONTACT: Anthony Maietta, Environmental Protection Specialist, Control Strategies Section, Air Programs Branch (AR–18J), Environmental Protection Agency, Region 5, 77 West Jackson Boulevard, Chicago, Illinois 60604, (312) 353–8777, *maietta.anthony@epa.gov.*

SUPPLEMENTARY INFORMATION: In the direct final rule, EPA stated that if adverse comments were submitted by June 29, 2017, the rule would be withdrawn and not take effect. EPA received an adverse comment prior to the close of the comment period and, therefore, is withdrawing the direct final rule. EPA will address the comment in a subsequent final action based upon the proposed action also published on May 30, 2017. EPA will not institute a second comment period on this action.

List of Subjects

40 CFR Part 52

Environmental protection, Air pollution control, Incorporation by reference, Intergovernmental relations, Lead, Reporting and recordkeeping requirements.

40 CFR Part 81

Environmental protection, Air pollution control, National parks, Wilderness areas.

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

Dated: June 20, 2017.

Robert A. Kaplan,

Acting Regional Administrator, Region 5.

PART 52—APPROVAL AND PROMULGATION OF IMPLEMENTATION PLANS

Accordingly, the amendments to 40 CFR 52.770 and 40 CFR 52.797 published in the **Federal Register** on May 30, 2017 (82 FR 24553) on page 24559 are withdrawn effective July 10, 2017.

PART 81—DESIGNATION OF AREAS FOR AIR QUALITY PLANNING PURPOSES

Accordingly, the amendment to 40 CFR 81.315 published in the **Federal Register** on May 30, 2017 (82 FR 24553) on page 24559 is withdrawn effective July 10, 2017.

[FR Doc. 2017–14316 Filed 7–7–17; 8:45 am]

BILLING CODE 6560–50–P

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 180

[EPA–HQ–OPP–2016–0595; FRL–9962–06]

Buprofezin; Pesticide Tolerance

AGENCY: Environmental Protection Agency (EPA).

ACTION: Final rule.

SUMMARY: This regulation establishes a tolerance for residues of buprofezin in or on rice grain. Nichino America, Inc. requested this tolerance under the Federal Food, Drug, and Cosmetic Act (FFDCA).

DATES: This regulation is effective July 10, 2017. Objections and requests for hearings must be received on or before September 8, 2017, and must be filed in accordance with the instructions provided in 40 CFR part 178 (see also Unit I.C. of the **SUPPLEMENTARY INFORMATION**).

ADDRESSES: The docket for this action, identified by docket identification (ID) number EPA–HQ–OPP–2016–0595, is available at *http://www.regulations.gov* or at the Office of Pesticide Programs Regulatory Public Docket (OPP Docket) in the Environmental Protection Agency Docket Center (EPA/DC), West William Jefferson Clinton Bldg., Rm. 3334, 1301 Constitution Ave. NW., Washington, DC 20460–0001. The Public Reading Room is open from 8:30 a.m. to 4:30 p.m., Monday through Friday, excluding legal holidays. The telephone number for the Public Reading Room is (202) 566–1744,

and the telephone number for the OPP Docket is (703) 305–5805. Please review the visitor instructions and additional information about the docket available at *http://www.epa.gov/dockets.*

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

SUPPLEMENTARY INFORMATION:

I. General Information

A. Does this action apply to me?

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

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

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

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

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

Under FFDCA section 408(g), 21 U.S.C. 346a, any person may file an objection to any aspect of this regulation and may also request a hearing on those objections. You must file your objection or request a hearing on this regulation in accordance with the instructions provided in 40 CFR part 178. To ensure proper receipt by EPA, you must identify docket ID number EPA–HQ–OPP–2016–0595 in the subject line on the first page of your submission. All objections and requests for a hearing must be in writing, and must be received by the Hearing Clerk on or before September 8, 2017. Addresses for mail and hand delivery of objections and hearing requests are provided in 40 CFR 178.25(b).

In addition to filing an objection or hearing request with the Hearing Clerk as described in 40 CFR part 178, please submit a copy of the filing (excluding any Confidential Business Information (CBI)) for inclusion in the public docket. Information not marked confidential pursuant to 40 CFR part 2 may be disclosed publicly by EPA without prior notice. Submit the non-CBI copy of your objection or hearing request, identified by docket ID number EPA–HQ–OPP–2016–0595, by one of the following methods:

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

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

II. Summary of Petitioned-For Tolerance

In the **Federal Register** of December 9, 2016 (81 FR 89036) (FRL–9953–69), EPA issued a document pursuant to FFDCA section 408(d)(3), 21 U.S.C. 346a(d)(3), announcing the filing of a pesticide petition (PP 6E8494) by Nichino America, Inc., 4550 New Linden Hill Road, Suite 501, Wilmington, DE, 19808. The petition requested that 40 CFR 180.511 be amended by establishing a tolerance for residues of the insecticide buprofezin in or on rice at 0.3 parts per million (ppm). That document referenced a summary of the petition prepared by Nichino America, Inc., the registrant, which is available in the docket, *http://www.regulations.gov.* There were no comments received in response to the notice of filing.

Based upon review of the data supporting the petition, EPA has modified the level at which the tolerance is being established. The reason for this change is explained in Unit IV.C.

III. Aggregate Risk Assessment and Determination of Safety

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

Consistent with FFDCA section 408(b)(2)(D), and the factors specified in FFDCA section 408(b)(2)(D), EPA has reviewed the available scientific data and other relevant information in support of this action. EPA has sufficient data to assess the hazards of and to make a determination on aggregate exposure for buprofezin including exposure resulting from the tolerances established by this action. EPA's assessment of exposures and risks associated with buprofezin follows.

A. Toxicological Profile

EPA has evaluated the available toxicity data and considered its validity, completeness, and reliability as well as the relationship of the results of the studies to human risk. EPA has also considered available information concerning the variability of the sensitivities of major identifiable subgroups of consumers, including infants and children.

The primary organs of buprofezin toxicity are the liver and the thyroid. In subchronic toxicity studies in rats increased microscopic lesions in liver and thyroid, increased liver weights, and increased thyroid weight in males were seen. In chronic studies in the rat, an increased incidence of follicular cell hyperplasia and hypertrophy in the thyroid of males were reported. In chronic studies in the dog, increased relative liver weights were reported in females. Effects observed in a 24-day dermal toxicity study in rats included inflammatory infiltrate of the liver and an increase in acanthosis and hyperkeratosis of the skin in females.

The developmental toxicity study in the rat showed reduced ossification and reduced pup weight at maternally toxic doses (death, decreased pregnancy rates,

increased resorption rates). No developmental toxicity was observed in the rabbit at or below maternally toxic dose levels. The reproductive toxicity study showed decreased pup body weights at dose levels where liver effects (increased relative and/or absolute liver weights) and decreased body weight gains were observed in the parental generations. However, in a comparative thyroid toxicity assay, pup toxicity (decreased pup body weight during early lactation and increased TSH levels) occurred at a dose that was not maternally toxic. Maternal toxicity resulted in increased serum TSH concentration, decreased serum T4 levels in pregnant rats and histopathological findings in the thyroid (increased follicular cell height and follicular cell hypertrophy). In this same study, fetal and maternal toxicity occurred at the same dose. Fetal toxicity was expressed as increased thyroid weight in males and increased TSH levels in males and females. No neurotoxic effects were observed in a subchronic neurotoxicity study in rats at the highest dietary dose tested of 5,000 ppm. There was no evidence of neurotoxicity or immunotoxicity in the submitted studies.

EPA has classified buprofezin into the category of ''Suggestive Evidence of Carcinogenicity, but not sufficient to assess human carcinogenic potential'' based on liver tumors in female mice only. Buprofezin was negative in *in vitro* and *in vivo* genotoxicity assays. The Agency noted findings from the published literature indicate that buprofezin causes cell transformation and induces micronuclei *in vitro,* but determined that, in the absence of a positive response in an *in vivo* micronucleus assay, buprofezin may have aneugenic potential which is not expressed *in vivo.* The Agency has determined that the cPAD is protective for carcinogenic effects.

Specific information on the studies received and the nature of the adverse effects caused by buprofezin as well as the no-observed-adverse-effect-level (NOAEL) and the lowest-observed-adverse-effect-level (LOAEL) from the toxicity studies can be found at *http://www.regulations.gov* in the document titled ''*Buprofezin: Human Health Risk Assessment for Proposed New Tolerance with No U.S. Registration in/on Imported Rice Grain*'' on page 29 in docket ID number EPA–HQ–OPP–2016–0595.

B. Toxicological Points of Departure/Levels of Concern

Once a pesticide's toxicological profile is determined, EPA identifies toxicological points of departure (POD) and levels of concern to use in evaluating the risk posed by human exposure to the pesticide. For hazards that have a threshold below which there is no appreciable risk, the toxicological POD is used as the basis for derivation of reference values for risk assessment. PODs are developed based on a careful analysis of the doses in each toxicological study to determine the dose at which no adverse effects are observed (the NOAEL) and the lowest dose at which adverse effects of concern are identified (the LOAEL). Uncertainty/safety factors are used in conjunction with the POD to calculate a safe exposure level—generally referred to as a population-adjusted dose (PAD) or a reference dose (RfD)—and a safe margin of exposure (MOE). For non-threshold risks, the Agency assumes that any amount of exposure will lead to some degree of risk. Thus, the Agency estimates risk in terms of the probability of an occurrence of the adverse effect expected in a lifetime. For more information on the general principles EPA uses in risk characterization and a complete description of the risk assessment process, see *http://www2.epa.gov/pesticide-science-and-assessing-pesticide-risks/assessing-human-health-risk-pesticides.*

A summary of the toxicological endpoints for buprofezin used for human risk assessment is shown in Table 1 of this unit.

TABLE 1—SUMMARY OF TOXICOLOGICAL DOSES AND ENDPOINTS FOR BUPROFEZIN FOR USE IN HUMAN HEALTH RISK ASSESSMENT

Exposure/scenario	Point of departure and uncertainty/safety factors	RfD, PAD, LOC for risk assessment	Study and toxicological effects
Acute dietary (General population including infants and children).	An acute RfD for the general population or any population subgroups (other than females 13–50 years of age) was not selected because no effect attributable to a single (or few) day(s) oral exposure was observed in animal studies.		
Acute dietary (Females 13–50 years of age).	NOAEL = 200 mg/kg/day. UF_A = 10x UF_H = 10x FQPA SF = 1x	Acute RfD = 2.0 mg/kg/day. aPAD = 2.0 mg/kg/day.	Developmental Toxicity Study—Rat. Developmental LOAEL = 800 mg/kg/day based on reduced ossification & decreased body weight in offspring. Maternal LOAEL = 800 mg/kg/day based on mortality, decreased food consumption, weight loss, clinical signs, decreased pregnancy rates and increased resorption rates.
Chronic dietary (All populations)	LOAEL= 10 mg/kg/day. UF_A = 3x UF_H = 10x UF_L = 10x FQPA SF = 1x	Chronic RfD = 0.033 mg/kg/day. cPAD = 0.033 mg/kg/day.	Comparative Thyroid Toxicity Study-rats. Offspring LOAEL = 10.0 mg/kg/day based on significantly decreased pup body weight (↓8–13% in males during LD 4–10 and ↓8–9% in females during LD 4–7) compared to controls and increased TSH levels on LD 4 and LD 21 (↑23–34% in males).
Cancer (Oral, dermal, inhalation).	Possible human carcinogen. (No Q_1*). The cRfD is considered protective of the cancer effects.		

FQPA SF = Food Quality Protection Act Safety Factor. LOAEL = lowest-observed-adverse-effect-level. LOC = level of concern. mg/kg/day = milligram/kilogram/day. MOE = margin of exposure. NOAEL = no-observed-adverse-effect-level. PAD = population adjusted dose (a = acute, c = chronic). RfD = reference dose. UF = uncertainty factor. UF_A = extrapolation from animal to human (interspecies). UF_H = potential variation in sensitivity among members of the human population (intraspecies). UF_L = use of a LOAEL to extrapolate a NOAEL.

C. Exposure Assessment

1. *Dietary exposure from food and feed uses.* In evaluating dietary exposure to buprofezin, EPA considered exposure under the petitioned-for tolerances as well as all existing buprofezin tolerances in 40 CFR 180.511. EPA assessed dietary exposures from buprofezin in food as follows:

i. *Acute exposure.* Quantitative acute dietary exposure and risk assessments are performed for a food-use pesticide, if a toxicological study has indicated the possibility of an effect of concern occurring as a result of a 1-day or single exposure. Such effects were identified for buprofezin.

In estimating acute dietary exposure, EPA used food consumption information from the United States Department of Agriculture (USDA) National Health and Nutrition Examination Survey, What We Eat in America, (NHANES/WWEIA; 2003–2008). As to residue levels in food, EPA assumed 100 percent crop treated (PCT) for all commodities. Total residues of concern in crop commodities (*i.e.,* buprofezin and the BF4 Conjugate which is *not* detectable by data collection methods but which may be estimated from metabolism data) were based on tolerance level residues of buprofezin and available metabolism/magnitude of the data to estimate other residues of concern. Given the potential for BF9 and BF12 to concentrate to a greater degree than buprofezin in processed commodities, Dietary Exposure Evaluation Model (DEEM) default processing factors were retained for all commodities, except for tomato paste and puree, which were reduced based on empirical data. Based on the submitted lemon metabolism data, which indicated that residues of concern are primarily found in/on the peel, the maximum theoretical concentration factor for peel was used to estimate residues of concern in citrus peel. Total residues of concern in meat (*i.e.,* buprofezin and BF2) and milk (*i.e.,* buprofezin and BF23) were based on the feeding study data which were used to establish meat and milk tolerances. Based on the submitted data, which indicated a 5x concentration of residues into milk cream and fat and a Log K_{ow} of 4.31, a default 25x concentration factor was applied for milk fat.

ii. *Chronic exposure.* In conducting the chronic dietary exposure assessment EPA used the food consumption data from the USDA NHANES/WWEIA (2003–2008). A partially refined chronic dietary analysis was conducted using the same residue estimates used for the acute dietary analysis and average percent crop treated estimates when available.

iii. *Cancer.* EPA determines whether quantitative cancer exposure and risk assessments are appropriate for a food-use pesticide based on the weight of the evidence from cancer studies and other relevant data. Cancer risk is quantified using a linear or nonlinear approach. If sufficient information on the carcinogenic mode of action is available, a threshold or nonlinear approach is used and a cancer RfD is calculated based on an earlier noncancer key event. If carcinogenic mode of action data are not available, or if the mode of action data determines a mutagenic mode of action, a default linear cancer slope factor approach is utilized. Based on the data summarized in Unit III.A., EPA has concluded that a nonlinear RfD approach is appropriate for assessing cancer risk to buprofezin. Cancer risk was assessed using the same exposure estimates as discussed in Unit III.C.1.ii., *chronic exposure.*

iv. *Anticipated residue and percent crop treated (PCT) information.* Section 408(b)(2)(E) of FFDCA authorizes EPA to use available data and information on the anticipated residue levels of pesticide residues in food and the actual levels of pesticide residues that have been measured in food. If EPA relies on such information, EPA must require pursuant to FFDCA section 408(f)(1) that data be provided 5 years after the tolerance is established, modified, or left in effect, demonstrating that the levels in food are not above the levels anticipated. For the present action, EPA will issue such data call-ins as are required by FFDCA section 408(b)(2)(E) and authorized under FFDCA section 408(f)(1). Data will be required to be submitted no later than 5 years from the date of issuance of these tolerances.

Section 408(b)(2)(F) of FFDCA states that the Agency may use data on the actual percent of food treated for assessing chronic dietary risk only if:

- *Condition a:* The data used are reliable and provide a valid basis to show what percentage of the food derived from such crop is likely to contain the pesticide residue.
- *Condition b:* The exposure estimate does not underestimate exposure for any significant subpopulation group.
- *Condition c:* Data are available on pesticide use and food consumption in a particular area, the exposure estimate does not understate exposure for the population in such area.

In addition, the Agency must provide for periodic evaluation of any estimates used. To provide for the periodic evaluation of the estimate of PCT as required by FFDCA section 408(b)(2)(F), EPA may require registrants to submit data on PCT.

The Agency estimated the PCT for existing uses as follows:

The acute dietary exposure analyses assumed 100 PCT. Average PCT was used for the following crops for refinement of the chronic analyses: almond 1%, apple 2.5%, apricot 10%, broccoli 5%, Brussels sprout 2.5%, cabbage 5%, cantaloupe 5%, cauliflower 10%, cherry 2.5%, cotton 1%, grapefruit 5%, grape 5%, lemon 2.5%, lettuce 10%, nectarine 5%, olive 2.5%, orange 2.5%, peach 5%, pear 10%, pepper 2.5%, pistachio 10%, plum/prune 5%, pomegranate 15%, pumpkin 1%, spinach 1%, squash 1%, strawberry 15%, tomato 1%, walnut 1%, and watermelon 2.5%.

In most cases, EPA uses available data from United States Department of Agriculture/National Agricultural Statistics Service (USDA/NASS), proprietary market surveys, and the National Pesticide Use Database for the chemical/crop combination for the most recent 6–7 years. EPA uses an average PCT for chronic dietary risk analysis.

Average percent of crop treated—Values are calculated by merging data sources together; averaging by year, averaging across all years, & rounding to the nearest multiple of 5. **Note:** *If the estimated value is less than 2.5, then the value is labeled <2.5. If the estimated value is less than 1, then the value is labeled <1.*

Maximum percent of crop treated—Value is the single maximum value reported across all data sources, across all years, & rounded up to the nearest multiple of 5. *Note: If the estimated value is less than 2.5, then the value is labeled <2.5.*

2. *Dietary exposure from drinking water.* The Agency used screening level water exposure models in the dietary exposure analysis and risk assessment for buprofezin in drinking water. These simulation models take into account data on the physical, chemical, and fate/transport characteristics of buprofezin. Further information regarding EPA drinking water models used in pesticide exposure assessment can be found at *http://www2.epa.gov/pesticide-science-and-assessing-pesticide-risks/about-water-exposure-models-used-pesticide.*

Based on the Pesticide Root Zone Model version 5 and Variable Volume Water Model (PRZM5/VVWM) and Pesticide Root Zone Model Ground Water (PRZM GW) model, the estimated drinking water concentrations (EDWCs) of buprofezin for acute exposures are estimated to be 78.8 parts per billion (ppb) for surface water and for chronic

exposures are estimated to be 19 ppb for surface water. There was no breakthrough of buprofezin into ground water during a 100-year simulation using the PRZM–GW model. Buprofezin, therefore, is not expected to be detected in shallow ground water.

Modeled estimates of drinking water concentrations were directly entered into the dietary exposure model. For the acute dietary risk assessment, the water concentration value of 78.8 ppb was used to assess the contribution to drinking water. For the chronic dietary risk assessment, the water concentration of value 19 ppb was used to assess the contribution to drinking water.

3. *From non-dietary exposure.* The term ''residential exposure'' is used in this document to refer to non-occupational, non-dietary exposure (*e.g.,* for lawn and garden pest control, indoor pest control, termiticides, and flea and tick control on pets). Buprofezin is not registered for any specific use patterns that would result in residential exposure.

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

EPA has not found buprofezin to share a common mechanism of toxicity with any other substances, and buprofezin does not appear to produce a toxic metabolite produced by other substances. For the purposes of this tolerance action, therefore, EPA has assumed that buprofezin does not have a common mechanism of toxicity with other substances. For information regarding EPA's efforts to determine which chemicals have a common mechanism of toxicity and to evaluate the cumulative effects of such chemicals, see EPA's Web site at *http://www2.epa.gov/pesticide-science-and-assessing-pesticide-risks/cumulative-assessment-risk-pesticides.*

D. Safety Factor for Infants and Children

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

2. *Prenatal and postnatal sensitivity.* Developmental toxicity studies in rats and rabbits and the reproduction studies in rats provided no indication of increased susceptibility of rats or rabbits following *in utero* exposure or of rats following pre/postnatal exposure to buprofezin. However, the comparative thyroid toxicity study demonstrated offspring susceptibility, but not fetal susceptibility to buprofezin oral (gavage) administration. The point of departure (POD) for risk assessment is derived from this study and is based on the most sensitive endpoint of concern. Previous risk assessments imposed a database uncertainty factor of 10X for a lack of a comparative thyroid toxicity study. With the submission of an acceptable comparative thyroid study, and lack of susceptibility in the developmental and reproduction studies, the FQPA factor is now reduced to 1x.

3. *Conclusion.* EPA has determined that reliable data show the safety of infants and children would be adequately protected if the FQPA SF were reduced to 1x. That decision is based on the following findings:

i. The toxicity database for buprofezin is complete.

ii. Thyroid toxicity was seen following subchronic and chronic exposures to rats as well as chronic exposures to dogs characterized by decreases in serum thyroxine levels and increased thyroid weights in dogs and histopathological lesions in in rats. Disruption of thyroid homeostasis is the initial, critical effect that may lead to adverse effects on the developing nervous system.

Normally, if a neurodevelopmental concern is raised by existing data on a pesticide, a rat developmental neurotoxicity (DNT) study is requested. However, a DNT study is not required for buprofezin since this study would not address thyroid toxicity concerns. Thus, *in lieu* of the rat DNT study, a special study evaluating the hormonal responses associated with the developing fetal nervous system was required and has since been conducted and submitted to the Agency. This study demonstrated offspring susceptibility, but not fetal susceptibility to buprofezin oral (gavage) administration.

Based on the lack of any neurotoxic effects in a subchronic neurotoxicity study at doses as high as 5,000 ppm and the absence of neurotoxicity in subchronic and chronic tests, an acute neurotoxicity study was waived.

iii. Developmental toxicity studies in rats and rabbits and the reproduction studies in rats provided no indication of increased susceptibility of rats or rabbits following *in utero* exposure or of rats following pre/postnatal exposure to buprofezin. However, the comparative thyroid toxicity study demonstrated offspring susceptibility, but not fetal susceptibility to buprofezin oral (gavage) administration. The chronic point of departure (POD) for risk assessment is derived from this study and is based on the most sensitive endpoint of concern.

iv. There are no residual uncertainties identified in the exposure databases. The dietary food exposure assessment uses conservative assumptions which result in protective estimates of dietary exposure. The dietary drinking water assessment uses values generated by model and associated modeling parameters which are designed to provide protective, high-end estimates of water concentrations. These assessments will not underestimate the exposure and risks posed by buprofezin.

E. Aggregate Risks and Determination of Safety

EPA determines whether acute and chronic dietary pesticide exposures are safe by comparing aggregate exposure estimates to the acute PAD (aPAD) and chronic PAD (cPAD). For linear cancer risks, EPA calculates the lifetime probability of acquiring cancer given the estimated aggregate exposure. Short-, intermediate-, and chronic-term risks are evaluated by comparing the estimated aggregate food, water, and residential exposure to the appropriate PODs to ensure that an adequate MOE exists.

1. *Acute risk.* An acute aggregate risk assessment takes into account acute exposure estimates from dietary consumption of food and drinking water. Using the exposure assumptions discussed in this unit for acute exposure, the acute dietary exposure from food and water to buprofezin will occupy 4.8% of the aPAD for females 13–49 years old, the only population group of concern.

2. *Chronic risk.* Using the exposure assumptions described in this unit for chronic exposure, EPA has concluded that chronic exposure to buprofezin from food and water will utilize 48% of the cPAD for children 1–2 years old, the population group receiving the greatest exposure. There are no residential uses for buprofezin.

3. *Short- and intermediate-term risk.* Short- and intermediate-term aggregate exposure takes into account short- and intermediate-term residential exposure plus chronic exposure to food and water (considered to be a background exposure level). Short- and intermediate-term adverse effects were identified; however, buprofezin is not registered for any use patterns that would result in either short- or intermediate-term residential exposure. Short- and intermediate-term risk is assessed based on short- and intermediate-term residential exposure plus chronic dietary exposure. Because there is no short- or intermediate-term residential exposure and chronic dietary exposure has already been assessed under the appropriately protective cPAD (which is at least as protective as the POD used to assess short- or intermediate-term risk), no further assessment of short-or intermediate-term risk is necessary, and EPA relies on the chronic dietary risk assessment for evaluating short- and intermediate-term risk for buprofezin.

4. *Aggregate cancer risk for U.S. population.* As explained in Unit III.A., the Agency has determined that the quantification of risk using a non-linear (*i.e.,* RfD) approach will adequately account for all chronic toxicity, including carcinogenicity, that could result from exposure to buprofezin. Therefore, based on the results of the chronic risk assessment discussed in Unit III.E.2., buprofezin is not expected to pose a cancer risk to humans.

5. *Determination of safety.* Based on these risk assessments, EPA concludes that there is a reasonable certainty that no harm will result to the general population, or to infants and children from aggregate exposure to buprofezin residues.

IV. Other Considerations

A. Analytical Enforcement Methodology

Adequate enforcement methods are available in PAM I and PAM II for enforcement of buprofezin tolerances, including GC methods with nitrogen phosphorus detection (GC/NPD), and a GC/mass spectrometry (MS) method for confirmation of buprofezin residues in plant commodities.

B. International Residue Limits

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

The Codex has not established a MRL for buprofezin in or on rice grain.

C. Revisions to Petitioned-For Tolerances

The petitioned-for tolerance in/on rice, grain has been revised from 0.3 ppm to 1.5 ppm. The proposed tolerance level (0.3 ppm) is actually for the processed rice commodity, hulled rice grain (*i.e.,* brown rice), and not for the recognized rice raw agricultural commodity (RAC), unhulled/whole rice grain. The recommended tolerance (1.5 ppm) in/on rice, grain (*i.e.,* unhulled/whole rice grain) will cover residues in/on hulled rice grain (*i.e.,* brown rice) treated at the maximum proposed use rate.

V. Conclusion

Therefore, a tolerance is established for residues of buprofezin in or on rice, grain at 1.5 ppm.

VI. Statutory and Executive Order Reviews

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

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

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

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

VII. Congressional Review Act

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

List of Subjects in 40 CFR Part 180

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

Dated: May 18, 2017.

Michael L. Goodis,

Director, Registration Division, Office of Pesticide Programs.

Therefore, 40 CFR chapter I is amended as follows:

PART 180—[AMENDED]

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

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

■ 2. In § 180.511, add alphabetically the commodity ''Rice, grain'' to the table in paragraph (a); redesignate footnote 1 to the table as footnote 2; and add a new footnote 1 to the table to read as follows:

§ 180.511 Buprofezin; tolerances for residues.

(a) * * *

Commodity	Parts per million
* * * * *	
Rice, grain [1]	1.5
* * * * *	

[1] There are no U.S. registrations as of July 10, 2017 for use on rice.

* * * * *

[FR Doc. 2017–14085 Filed 7–7–17; 8:45 am]

BILLING CODE 6560–50–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

42 CFR Part 71

[Docket No. CDC–2016–0068]

RIN 0920–AA63

Control of Communicable Diseases; Correction

AGENCY: Centers for Disease Control and Prevention (CDC), Department of Health and Human Services (HHS).

ACTION: Final rule; correcting amendments.

SUMMARY: The Centers for Disease Control and Prevention (CDC) in the Department of Health and Human Services (HHS) announces technical corrections to the final rule (82 FR 6890) published on January 19, 2017. These technical corrections remove grammatical errors, remove a reference to reports of deaths or illness by ''radio,'' change regulatory text to match previously updated and approved language, and amend a reporting date for a retrospective review so that the date does not coincide with a Federal holiday.

DATES: These correcting amendments are effective July 10, 2017.

FOR FURTHER INFORMATION CONTACT: Jennifer Buigut, Division of Global Migration and Quarantine, Centers for Disease Control and Prevention, 1600 Clifton Road NE., MS–E03, Atlanta, Georgia 30329. Telephone: (404) 498–1600.

SUPPLEMENTARY INFORMATION: On January 19, 2017, HHS/CDC published a final rule that included some technical errors (82 FR 6890). HHS/CDC is correcting those technical errors in this document. A summary of those corrections follows below.

Section 553(b)(B) of the Administrative Procedure Act (APA), 5 U.S.C. 553(b)(B), provides that, when an agency for good cause finds that notice and public procedure are impracticable, unnecessary, or contrary to the public interest, the agency may issue a rule without providing notice and an opportunity for public comment. We have determined that it is unnecessary to provide prior notice and the opportunity for public comment because the technical corrections being made, as discussed below, address only minor publication errors that do not substantially change agency actions taken in the final rule. For the same reasons we find good cause to make these corrections effective on publication.

Summary of Technical Corrections to 42 CFR 71 Foreign Quarantine

The final rule contains two sections, respectively, relating to the transmission of passenger and crew information for airlines and vessels, sections 71.4 and 71.5. Section 71.4 is titled, ''Requirements relating transmission of airline passenger, crew and flight information for public health purposes.'' Section 71.5 is titled, ''Requirements relating transmission of vessel passenger, crew, and voyage information for public health purposes.'' We are changing the title of 71.4 by adding ''to the'' in between ''relating'' and ''transmission'' and by adding a comma after ''crew.'' We are changing the title of 71.5 by adding ''to the'' in between ''relating'' and ''transmission.''

The final rule lists two different dates for a retrospective review report evaluating the burden of transmission of passenger and crew information for airlines and vessels. Section 71.4 lists February 18, 2019 while Section 71.5 lists February 21, 2019. Since February 18, 2019 is President's Day, a Federal holiday, and the **Federal Register** is not published on Federal holidays, we are changing the date of the report in Section 71.4 to February 21, 2019.

In the preamble of both the proposed rule (81 FR 54230) and the final rule (82 FR 6890), HHS/CDC discussed deleting the term ''radio'' from Section 71.21 because the term is antiquated, but failed to make the change in the regulatory text. The term ''radio'' still appears in the regulatory text and in the Table of Contents. This technical correction deletes this term.

Finally, also in Section 71.21, HHS/CDC is changing the term ''diarrhea'' to ''acute gastroenteritis (AGE).'' This change was discussed in the final rule and is consistent with the language found in CDC's Vessel Sanitation Program Manual. *See https://www.cdc.gov/nceh/vsp/pub/pub.htm.*

List of Subjects in 42 CFR Part 71

Apprehension, CDC, Communicable diseases, Conditional release, Director, Ill person, Isolation, Non-invasive, Public health emergency, Public health prevention measures, Quarantine, Quarantinable communicable diseases.

PART 71—FOREIGN QUARANTINE

■ 1. The authority citation for part 71 continues to read as follows:

Authority: Secs. 215 and 311 of Public Health Service (PHS) Act. as amended (42 U.S.C. 216, 243); secs. 361–369, PHS Act, as amended (42 U.S.C. 264–272).

■ 2. In § 71.4, amend the section heading and paragraph (c) to read as follows:

§ 71.4 Requirements relating to the transmission of airline passenger, crew, and flight information for public health purposes.

* * * * *

(c) No later than February 21, 2019, the Secretary or Director will publish and seek comment on a report evaluating the burden of this section on affected entities and duplication of activities in relation to mandatory passenger data submissions to DHS/CBP. The report will specifically recommend actions that streamline and facilitate use and transmission of any duplicate information collected.

■ 3. In § 71.5, revise the section heading to read as follows:

§ 71.5 Requirements relating to the transmission of vessel passenger, crew, and flight information for public health purposes.

* * * * *

■ 4. In § 71.21, revise the section heading to read as follows:

§ 71.21 Report of death or illness.

■ 5. In 71.21, revise paragraph (c) to read as follows:

§ 71.21 Report of death or illness.

* * * * *

(c) In addition to paragraph (a) of this section, the master of a ship carrying 13 or more passengers must report 24 hours before arrival the number of cases (including zero) of acute gastroenteritis (AGE) in passengers and crew recorded in the ship's medical log during the current cruise. All cases of acute gastroenteritis (AGE) that occur after the 24 hour report must also be reported not less than 4 hours before arrival.

* * * * *

Dated: June 30, 2017.

Thomas E. Price,

Secretary, Department of Health and Human Services.

[FR Doc. 2017–14393 Filed 7–7–17; 8:45 am]

BILLING CODE 4163–18–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Centers for Medicare & Medicaid Services

42 CFR Parts 409, 410, 418, 440, 484, 485 and 488

[CMS–3819–F2]

RIN 0938–AG81

Medicare and Medicaid Programs; Conditions of Participation for Home Health Agencies; Delay of Effective Date

AGENCY: Centers for Medicare & Medicaid Services (CMS), HHS.

ACTION: Final rule; delay of effective date.

SUMMARY: This final rule delays the effective date for the final rule entitled ''Medicare and Medicaid Programs: Conditions of Participation for Home Health Agencies'' published in the **Federal Register** on January 13, 2017 (82 FR 4504). The published effective date for the final rule was July 13, 2017, and this rule delays the effective date for an additional 6 months until January 13, 2018. This final rule also includes two conforming changes to dates that are included in the regulations text.

DATES: The effective date of the final rule published on January 13, 2017 (82 FR 4504) is delayed until January 13, 2018. Additionally, the conforming amendments (to § 484.65 and § 484.115) in this rule are effective January 13, 2018.

FOR FURTHER INFORMATION CONTACT: Danielle Shearer (410) 786–6617, Mary Rossi-Coajou (410) 786–6051, or Maria Hammel (410) 786–1775.

SUPPLEMENTARY INFORMATION:

I. Background

On October 9, 2014, we published the proposed rule ''Medicare and Medicaid Programs: Conditions of Participation for Home Health Agencies'' (hereinafter ''October 2014 HHA CoPs proposed rule'') in the **Federal Register** (79 FR 61164) and provided a 60 day comment period. On December 1, 2014, in response to public comments requesting additional time to respond to the proposed rule, we published a notice of extension of the comment period (79 FR 71081), which extended the public comment period for the October 2014 HHA CoPs proposed rule an additional 30 days, from December 8, 2014 to January 7, 2015. The vast majority of commenters on the October 2014 HHA CoPs proposed rule made suggestions related to the effective date of the final rule (''Medicare and Medicaid Programs; Conditions of Participation for Home Health Agencies'', January 13, 2017, (82 FR 4504), hereinafter ''January 2017 HHA CoPs final rule''). Commenters strongly expressed a need for a significant period of time to prepare for implementation of the new rules, noting that HHAs would need to adjust resource allocation, staffing, and potentially even infrastructure. Recommended effective date time frames ranged from 6 months after publication of the final rule to 5 years after publication of the final rule. The most frequent recommendation received was to finalize an effective date that was 1 year after the publication of the final rule. We agreed with commenters that it was appropriate to allow additional time for HHAs to prepare for the changes being set forth in the HHA CoPs final rule. Therefore, when we published the January 2017 HHA CoPs final rule in the **Federal Register** on January 13, 2017, we finalized an effective date of July 13, 2017 (that is, 6 months after the final rule was published in the **Federal Register**).

The January 2017 HHA CoPs final rule revised the CoPs that HHAs must meet in order to participate in the Medicare and Medicaid programs. The requirements focus on the care delivered to patients by HHAs, reflect an interdisciplinary view of patient care, allow HHAs greater flexibility in meeting quality care standards, and eliminate unnecessary procedural requirements. These changes are an integral part of our overall effort to achieve broad-based, measurable improvements in the quality of care furnished through the Medicare and Medicaid programs, while at the same time eliminating unnecessary procedural burdens on providers. We believe that the overall approach of the CoPs provides HHAs with greatly enhanced flexibility. At the same time, we believe the new requirements help HHAs achieve needed and desired outcomes for patients, increasing patient satisfaction with the services provided.

II. Provisions of the Proposed Regulations

Following publication of the January 2017 HHA CoPs final rule, we received inquiries that represented a large number of HHAs requesting that the agency delay the effective date for the new HHA CoPs. The inquiries asserted that HHAs were not able to effectively implement the new CoPs until CMS issued its revised Interpretive Guidelines (State Operations Manual, CMS Pub. 100–07, Appendix B). In addition, one of the inquiries stated that HHAs were unable to effectively implement the new CoPs until CMS issued further sub-regulatory guidance related to converting subunits to branches or independent HHAs, which would impact 216 HHAs nationwide. One of the inquiries cited the estimated $300 million cost to implement the new requirements as a reason for delaying the effective date.

We believe that the concerns expressed in the inquiries have merit, so in response to the concerns summarized above, we published a proposed rule on April 3, 2017 (82 FR 16150) entitled ''Medicare and Medicaid Programs; Conditions of Participation for Home Health Agencies; Delay of Effective Date'' to delay the effective date of the January 2017 HHA CoPs final rule for an additional 6 months. The effective date for the January 2017 HHA CoPs final rule, which is currently set to become effective on July 13, 2017, would be delayed until January 13, 2018.

We also proposed to make two conforming changes to dates that appear in the regulations text of the January 2017 HHA CoPs final rule. First, we included a phase-in date for the requirements at § 484.65(d)—''Standard: Performance improvement projects.'' This phase-in date allowed HHAs an additional 6 months after the January 2017 HHA CoPs final rule became effective to collect data before implementing data-driven performance improvement projects. We continue to believe that it is appropriate to phase-in the performance improvement project requirement 6 months after the

provisions of the January 2017 HHA CoPs final rule become effective. Therefore, we proposed to revise the phase-in date for the requirements at § 484.65(d) by replacing the January 13, 2018 date with a July 13, 2018 date.

Second, we proposed to revise § 484.115(a)—''Standard: Administrator, home health agency.'' In this provision, we grandfathered in all administrators employed by HHAs prior to the effective date of the January 2017 HHA CoPs final rule, meaning that those administrators employed by an HHA prior to July 13, 2017 would not have to meet the new personnel requirements. We proposed to replace the July 13, 2017 effective date at § 484.115(a)(1) and (2) with the proposed effective date of January 13, 2018.

III. Analysis of and Responses to Public Comments

We received 48 letters of public comment from HHA industry associations, surveyors, HHAs, and individuals. A summary of the major issues and our responses follow.

Comment: The majority of comments that were submitted expressed support for the proposed January 13, 2018 effective date for the January 2017 HHA CoPs final rule. One commenter disagreed with the proposal, stating that HHAs should already be implementing most of the new requirements as part of good practice. Another commenter agreed with the proposed effective date and stated that the date should not be delayed beyond January 13, 2018. However, other commenters stated that the rule should be delayed until July 13, 2018 or until 6 months or 1 year after CMS issues revised Interpretive Guidelines.

Response: We appreciate the support from commenters regarding our proposal to delay the effective date of the January 2017 HHA CoPs final rule for an additional 6 months, until January 13, 2018. While we agree that the changes in the new CoPs reflect good practice, and we continue to believe that many HHAs already implemented a significant number of these changes prior to the issuance of the new CoPs, we also acknowledge that the new CoPs contain numerous changes that require time for planning, testing, training, and implementation. In order to assure that HHAs have adequate time for all preparation activities, we are finalizing the proposed 6 month delay of the effective date of the January 2017 HHA CoPs final rule. The new HHA CoPs will be effective on January 13, 2018. We do not believe that delaying the effective date of the new HHA CoPs beyond January 2018 would be in the interest of improving patient safety and quality of care.

Comment: Several commenters supported the proposed effective date delay for implementing performance improvement projects, as required at § 484.65(d). A commenter did not support the delayed effective date as it was proposed. This commenter stated that the effective date for the entire quality assessment and performance improvement (QAPI) requirement should be delayed 18 months beyond the effective date for the rest of the rule (meaning July 2019).

Response: We appreciate the support of the commenters. As stated in the January 2017 HHA CoPs final rule, we believe that a phased-in implementation timeframe is appropriate for the requirement that HHAs conduct performance improvement projects because it will take additional time to collect the data necessary to identify areas for performance improvement. The additional phase-in period allows HHAs the time necessary to collect data prior to implementing performance improvement projects. Allowing HHAs until July 13, 2018 to implement performance improvement projects provides for a full 18 month period between the date that the final rule was published and the date that we would expect HHAs to initiate performance improvement activities. To delay the entire QAPI requirement for 18 months beyond the effective date for the rest of the rule would not require HHAs to begin data collection until July 2019; HHAs would also need 6 months to collect data before initiating performance improvement activities in January 2020. We do not believe that waiting 3 full years to initiate performance improvement activities is in the best interest of patient safety, patient care efficacy, or patient care efficiency. Therefore, we are finalizing the revised July 13, 2018 phase-in date for performance improvement projects. All other QAPI requirements are effective on January 13, 2018.

Comment: A commenter supported the inclusion of a grandfather clause related to the personnel training and education requirements for HHA administrators at § 484.115(a).

Response: We appreciate the support and are finalizing the proposal at § 484.115(a) without change. HHA administrators that start employment with an HHA beginning on or after January 13, 2018 will be required to meet the training and education requirements set forth in the final rule.

Comment: Several commenters submitted comments regarding the content of the January 2017 HHA CoPs final rule. For example, a commenter submitted comments on the plan of care update requirements while another submitted comments on the requirements for supervision of home health aides and another submitted comments regarding the comprehensive assessment. One commenter requested that the removal of the Condition of Participation entitled ''Group of professional personnel'' become effective on the original effective date of July 13, 2017.

Response: While we understand that commenters have technical questions regarding how to implement the requirements of the January 2017 HHA CoPs final rule, or desire to see changes to the policies set forth in the final rule, these comments are outside the scope of this rule. Likewise, making a single change effective prior to the effective date of the rest of the rule is beyond the scope of our original proposal. Questions related to the content of the January 2017 HHA CoPs final rule and suggestions for future rulemaking may be submitted to *NewHHACoPs@cms.hhs.gov.*

Comment: Numerous commenters requested additional information regarding the expected timeframe for release of the Interpretive Guidelines. Commenters also suggested that CMS work with stakeholders to develop the content of the guidance.

Response: We appreciate the opportunity to provide additional information regarding the Interpretive Guidelines for HHAs. Existing Guidance to Surveyors for HHAs can currently be found in Appendix B of the State Operations Manual (SOM). Updates to the Interpretive Guidelines to reflect the requirements of the January 2017 HHA CoPs final rule are currently under development. We expect to release a preliminary draft of the revised guidelines to HHA stakeholders for informal input in the fall of 2017. Comments from stakeholders will be taken into consideration as the draft is finalized. We intend to publish a final version of the Interpretive Guidelines in December 2017. We note that the Interpretive Guidelines are intended to provide guidance to surveyors when reviewing providers for substantial compliance with the HHA requirements and promote nationwide consistency in the survey process. All deficient practices are cited against the requirements in the regulations. Even absent a final version of the Interpretive Guidelines published in the SOM, surveyors will still be able to survey HHAs to assess compliance with the regulations. A delay in the release of Interpretive Guidelines would not

require a further delay of the effective date for the new HHA CoPs.

Comment: A commenter suggested that CMS should make training regarding the HHA CoPs available to all interested parties.

Response: We will undertake training for state surveyors on an as-needed basis to assure that those individuals have the necessary knowledge to assess compliance with the new regulations. As previously discussed, we have established an email box (*NewHHACoPs@cms.hhs.gov*) for individuals to submit questions regarding the content of the HHA CoPs. We encourage those with specific questions to use this mailbox. We also note that the January 2017 HHA CoPs final rule is intentionally flexible and outcome-oriented to allow for HHA innovation. Our goal is not to specify how HHAs must accomplish the end goal, but rather to establish what the outcome-oriented requirement is and allow HHAs to determine their own processes for achieving it.

Comment: A few commenters submitted suggestions related to guidance for transitioning existing subunits to standalone HHAs or branches. Commenter suggestions ranged from permitting subunits to automatically convert to a parent or branch without completing provider enrollment paperwork and the survey process, permitting a subunit to maintain subunit status while any transition to parent-HHA or branch is pending, permitting a subunit to qualify as a stand-alone HHA automatically with the filing of a CMS–855A that is effective upon filing, modifying the current branch approval process, and creating a separate delayed effective date for the subunit requirement.

Response: Guidance related to the conversion of subunits to standalone HHAs and branches is beyond the scope of this rule. We appreciate these suggestions and have shared them with the appropriate CMS staff. We will continue to monitor our conversion processes for subunits, and will consider future rulemaking to revise the effective date of the subunit elimination should the need arise.

Comment: A few commenters recommended that CMS review the content of the final home health CoPs to ensure they are reasonable and necessary, and rescind any provisions that are found to unduly burden HHA providers.

Response: We believe that the provisions of the home health CoPs final rule are reasonable and necessary, and that all burdens created are directly related to patient health and safety, and to improving the quality of care provided to HHA patients.

Comment: A commenter stated that CMS should align the effective date for the new emergency preparedness regulations with the January 2018 proposed effective date for the new home health CoPs.

Response: Changing the effective date for the emergency preparedness requirements is outside the scope of this rule as the emergency preparedness requirements were established in separate rulemaking (Emergency Preparedness Requirements for Medicare and Medicaid Participating Providers and Suppliers, (81 FR 63859)).

Comment: A commenter requested that CMS provide further explanation of home health occupational therapy policy by including specific examples in Chapter 7, Section 30.4 of the Medicare Benefit Policy Manual.

Response: Changes to the Medicare Benefit Policy Manual are not within the scope of this rule. However, we have shared this recommendation with the appropriate CMS staff.

IV. Provisions of the Final Regulations

We are adopting as final the provisions set forth in the January 2017 HHA CoPs final rule with the following modifications:

- Delaying the effective date for the January 2017 HHA CoPs final rule, which is currently set to become effective on July 13, 2017, until January 13, 2018.
- Revising the phase-in date for the requirements at § 484.65(d) by replacing the January 13, 2018 date with a July 13, 2018 date.
- Replacing the July 13, 2017 effective date at § 484.115(a)(1) and (2) with the effective date of January 13, 2018.

V. Waiver of 60-Day Delay in the Effective Date

We ordinarily provide a 60-day delay in the effective date of the provisions of a rule in accordance with the Administrative Procedure Act (APA) (5 U.S.C. 553(d)), which requires a 30-day delayed effective date; the Congressional Review Act (5 U.S.C. 801(a)(3)), which requires a 60-day delayed effective date for major rules; and section 1871(e)(1)(B)(i) of the Act prohibits substantive Medicare rules from becoming effective less than 30 days before issuance. However, we can waive the delay in the effective date if the Secretary finds, for good cause, that the delay is impracticable, unnecessary, or contrary to the public interest, and incorporates a statement of the finding and the reasons in the rule issued. 5 U.S.C. 553(d)(3); 5 U.S.C. 808(2); section 1871(e)(1)(B)(ii) of the Act.

Providing a 60-day delay in the effective date of this rule is contrary to public interest because it would negate the purpose of this rule, which is to postpone the effective date of the HHA CoP final rule from July 13, 2017 to January 13, 2018. If the changes in this rule do not become effective until 60 days following publication in the **Federal Register**, then HHAs will be required to comply with the July 13, 2017 effective date of the January 2017 HHA CoPs final rule during the 60-day delay period. As discussed above, in response to the publication of the January 2017 HHA CoPs final rule, we received inquiries that represented a large number of HHAs requesting that the agency delay the effective date for the new HHA CoPs. Additionally, in response to the April 3, 2017 proposed rule, commenters strongly expressed a need for a significant period of time to prepare for implementation of the new rules, noting that HHAs would need to adjust resource allocation, staffing, and potentially even infrastructure in order to effectively plan and test implementation strategies, and train staff on those strategies that prove to be effective. We believe that HHAs need additional time for all preparation activities. Implementing all of the changes in July 2017, without adequate planning, testing, and training, may negatively impact patient care and safety, as well as HHA operations. We believe it is in the public interest to avoid these negative impacts; therefore, we believe that good cause exists to waive the statutory delayed-effective-date requirements.

VI. Collection of Information Requirements

This document does not impose information collection requirements, that is, reporting, recordkeeping or third-party disclosure requirements. Consequently, there is no need for review by the Office of Management and Budget under the authority of the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*).

VII. Regulatory Impact Statement

We have examined the impact of this rule as required by Executive Order 12866 on Regulatory Planning and Review (September 30, 1993), Executive Order 13563 on Improving Regulation and Regulatory Review (January 18, 2011), the Regulatory Flexibility Act (September 19, 1980, Pub. L. 96–354), section 1102(b) of the Social Security Act, section 202 of the Unfunded Mandates Reform Act of 1995 (March

22, 1995; Pub. L. 104–4), Executive Order 13132 on Federalism (August 4, 1999), the Congressional Review Act (5 U.S.C. 804(2)), and Executive Order 13771 on Reducing Regulation and Controlling Regulatory Costs (January 30, 2017).

Executive Orders 12866 and 13563 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). A regulatory impact analysis (RIA) must be prepared for major rules with economically significant effects ($100 million or more in any 1 year). This rule does not reach the economic threshold and thus is not considered a major rule.

The Regulatory Flexibility Act (RFA) requires agencies to analyze options for regulatory relief of small entities. For purposes of the RFA, small entities include small businesses, nonprofit organizations, and small governmental jurisdictions. Most hospitals and most other providers and suppliers are small entities, either by nonprofit status or by having revenues of less than $7.5 million to $38.5 million in any 1 year. Individuals and States are not included in the definition of a small entity. We are not preparing an analysis for the RFA because we have determined, and the Secretary certifies, that this final rule would not have a significant economic impact on a substantial number of small entities.

In addition, section 1102(b) of the Social Security Act requires us to prepare a regulatory impact analysis if a rule may have a significant impact on the operations of a substantial number of small rural hospitals. This analysis must conform to the provisions of section 604 of the RFA. For purposes of section 1102(b) of the Act, we define a small rural hospital as a hospital that is located outside of a Metropolitan Statistical Area for Medicare payment regulations and has fewer than 100 beds. We are not preparing an analysis for section 1102(b) of the Act because we have determined, and the Secretary certifies, that this final rule would not have a significant impact on the operations of a substantial number of small rural hospitals.

Section 202 of the Unfunded Mandates Reform Act of 1995 also requires that agencies assess anticipated costs and benefits before issuing any rule whose mandates require spending in any 1 year of $100 million in 1995 dollars, updated annually for inflation. In 2017, that threshold is approximately $148 million. This rule will have no consequential effect on state, local, or tribal governments or on the private sector.

Executive Order 13132 establishes certain requirements that an agency must meet when it promulgates a proposed rule (and subsequent final rule) that imposes substantial direct requirement costs on state and local governments, preempts state law, or otherwise has Federalism implications. Since this regulation does not impose any costs on state or local governments, the requirements of Executive Order 13132 are not applicable.

Executive Order 13771, entitled ''Reducing Regulation and Controlling Regulatory Costs,'' was issued on January 30, 2017 (82 FR 9339, February 3, 2017). Under E.O. 13771, this rule has been determined to be deregulatory.

In accordance with the provisions of Executive Order 12866, this regulation was reviewed by the Office of Management and Budget.

List of Subjects

42 CFR Part 409

Health facilities, Medicare.

42 CFR Part 410

Health facilities, Health professions, Kidney diseases, Laboratories, Medicare, Reporting and recordkeeping requirements, Rural areas, X-rays.

42 CFR Part 418

Health facilities, Hospice care, Medicare, Reporting and recordkeeping requirements.

42 CFR Part 440

Grant programs—health, Medicaid.

42 CFR Part 484

Health facilities, Health professions, Medicare, Reporting and recordkeeping requirements.

42 CFR Part 485

Grant programs—health, Health facilities, Medicaid, Medicare, Reporting and recordkeeping requirements.

42 CFR Part 488

Administrative practice and procedure, Health facilities, Medicare, Reporting and recordkeeping requirements.

For the reasons set forth in the preamble, effective January 13, 2018, the Centers for Medicare & Medicaid Services amends 42 CFR chapter IV as set forth below:

PART 484—HOME HEALTH SERVICES

■ 1. The authority citation for part 484 continues to read as follows:

Authority: Secs. 1102 and 1871 of the Social Security Act (42 U.S.C. 1302 and 1395(hh)) unless otherwise indicated.

§ 484.65 [Amended]

■ 2. In § 484.65, amend paragraph (d) introductory text by removing the date ''January 13, 2018'' and adding in its place ''July 13, 2018''.

§ 484.115 [Amended]

■ 3. In § 484.115, amend paragraphs (a)(1) introductory text and (a)(2) introductory text by removing the date ''July 13, 2017'' and adding in its place ''January 13, 2018''.

Dated: June 28, 2017.

Seema Verma,

Administrator, Centers for Medicare & Medicaid Services.

Dated: June 30, 2017.

Thomas E. Price,

Secretary, Department of Health and Human Services.

[FR Doc. 2017–14347 Filed 7–7–17; 8:45 am]

BILLING CODE 4120–01–P

Proposed Rules

Federal Register
Vol. 82, No. 130
Monday, July 10, 2017

This section of the FEDERAL REGISTER contains notices to the public of the proposed issuance of rules and regulations. The purpose of these notices is to give interested persons an opportunity to participate in the rule making prior to the adoption of the final rules.

DEPARTMENT OF HOMELAND SECURITY

Coast Guard

33 CFR Part 100

[Docket Number USCG–2017–0571]

RIN 1625–AA08

Special Local Regulation; Choptank River, Cambridge, MD

AGENCY: Coast Guard, DHS.

ACTION: Notice of proposed rulemaking.

SUMMARY: The Coast Guard proposes to establish special local regulations for certain waters of the Choptank River. This action is necessary to provide for the safety of life on the navigable waters located in Cambridge, MD, during a power boat racing event on August 19, 2017, and August 20, 2017. This proposed rule would prohibit persons and vessels from entering the regulated area unless authorized by the Captain of the Port Maryland-National Capital Region or the Coast Guard Patrol Commander. We invite your comments on this proposed rulemaking.

DATES: Comments and related material must be received by the Coast Guard on or before August 9, 2017.

ADDRESSES: You may submit comments identified by docket number USCG–2017–0571 using the Federal eRulemaking Portal at *http://www.regulations.gov.* See the ''Public Participation and Request for Comments'' portion of the **SUPPLEMENTARY INFORMATION** section for further instructions on submitting comments.

FOR FURTHER INFORMATION CONTACT: If you have questions about this proposed rulemaking, call or email Mr. Ronald Houck, U.S. Coast Guard Sector Maryland-National Capital Region; telephone 410–576–2674, email *Ronald.L.Houck@uscg.mil.*

SUPPLEMENTARY INFORMATION:

I. Table of Abbreviations

CFR Code of Federal Regulations
COTP Captain of the Port
DHS Department of Homeland Security
FR Federal Register
NPRM Notice of proposed rulemaking
Pub. L. Public Law
§ Section
U.S.C. United States Code

II. Background, Purpose, and Legal Basis

On May 17, 2017, The Kent Narrows Racing Association of Chester, MD, notified the Coast Guard that it will be conducting power boat races from 9 a.m. until 5 p.m. on August 19, 2017, and August 20, 2017. Final details of the event were provided to the Coast Guard on June 20, 2017. The high-speed power boat racing event consists of approximately 60 participants competing on a designated 1-mile oval course in the Choptank River in a cove located between Hambrooks Bar and the shoreline at Cambridge, MD. Hazards from the power boat races include risks of injury or death resulting from near or actual contact among participant vessels and spectator vessels or waterway users if normal vessel traffic were to interfere with the event. The COTP Maryland-National Capital Region has determined that potential hazards associated with the power boat races would be a safety concern for anyone intending to participate in this event or for vessels that operate within specified waters of the Choptank River at Cambridge, MD.

The purpose of this rulemaking is to protect marine event participants, spectators and transiting vessels on specified waters of the Choptank River before, during, and after the scheduled event. The Coast Guard proposes this rulemaking under authority in 33 U.S.C. 1233, which authorize the Coast Guard to establish and define special local regulations.

III. Discussion of Proposed Rule

The COTP Maryland-National Capital Region proposes to establish special local regulations from 8:30 a.m. until 5:30 p.m. on August 19, 2017 and August 20, 2017. The regulated area would include all navigable waters within Hambrooks Bay and Choptank River west and south of a line commencing at the shoreline, at latitude 38°35′00″ N., longitude 076°04′43″ W., thence east to latitude 38°35′00″ N., longitude 076°04′23.7″ W., thence north to latitude 38°35′22.7″ N., longitude 076°04′23.7″ W., thence northwest to latitude 38°35′42.2″ N., longitude 076°04′51.1″ W., at Hambrooks Bar Light LLNR 24995, thence southwest to latitude 38°35′34.2″ N., longitude 076°05′12.3″ W., terminating at the Hambrooks Bay breakwall as it intersects the shoreline. This rule provides additional information about designated areas within the regulated area, including ''Race Area,'' ''Spectator Area'' and ''Buffer Zone,'' and the restrictions that apply to mariners. The duration of the regulated area is intended to ensure the safety of event participants and vessels within the specified navigable waters before, during, and after the power boat races, scheduled to occur between 9 a.m. and 5 p.m. each day. Except for participants, no vessel or person would be permitted to enter the regulated area without obtaining permission from the COTP Maryland-National Capital Region or the Coast Guard Patrol Commander. The regulatory text we are proposing appears at the end of this document.

IV. Regulatory Analyses

We developed this proposed rule after considering numerous statutes and Executive orders related to rulemaking. Below we summarize our analyses based on a number of these statutes and Executive Orders, and we discuss First Amendment rights of protestors.

A. Regulatory Planning and Review

Executive Orders 12866 and 13563 direct agencies to assess the costs and benefits of available regulatory alternatives and, if regulation is necessary, to select regulatory approaches that maximize net benefits. Executive Order 13771 directs agencies to control regulatory costs through a budgeting process. This NPRM has not been designated a ''significant regulatory action,'' under Executive Order 12866. Accordingly, the NPRM has not been reviewed by the Office of Management and Budget (OMB), and pursuant to OMB guidance it is exempt from the requirements of Executive Order 13771.

This regulatory action determination is based on the size and duration of the regulated area, which would impact a small designated area of the Choptank River for 18 hours. The Coast Guard would issue a Broadcast Notice to Mariners via marine band radio VHF–

FM channel 16 about the status of the regulated area. Moreover, the rule would allow vessel operators to request permission to enter the regulated area for the purpose of safely transiting the regulated area if deemed safe to do so by the Coast Guard Patrol Commander.

B. Impact on Small Entities

The Regulatory Flexibility Act of 1980, 5 U.S.C. 601–612, as amended, requires Federal agencies to consider the potential impact of regulations on small entities during rulemaking. The term ''small entities'' comprises small businesses, not-for-profit organizations that are independently owned and operated and are not dominant in their fields, and governmental jurisdictions with populations of less than 50,000. The Coast Guard certifies under 5 U.S.C. 605(b) that this proposed rule would not have a significant economic impact on a substantial number of small entities.

While some owners or operators of vessels intending to transit the regulated area may be small entities, for the reasons stated in section IV.A above this proposed rule would not have a significant economic impact on any vessel owner or operator.

If you think that your business, organization, or governmental jurisdiction qualifies as a small entity and that this rule would have a significant economic impact on it, please submit a comment (see **ADDRESSES**) explaining why you think it qualifies and how and to what degree this rule would economically affect it.

Under section 213(a) of the Small Business Regulatory Enforcement Fairness Act of 1996 (Pub. L. 104–121), we want to assist small entities in understanding this proposed rule. If the rule would affect your small business, organization, or governmental jurisdiction and you have questions concerning its provisions or options for compliance, please contact the person listed in the **FOR FURTHER INFORMATION CONTACT** section. The Coast Guard will not retaliate against small entities that question or complain about this proposed rule or any policy or action of the Coast Guard.

C. Collection of Information

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

D. Federalism and Indian Tribal Governments

A rule has implications for federalism under Executive Order 13132, Federalism, if it has a substantial direct effect on the States, on the relationship between the national government and the States, or on the distribution of power and responsibilities among the various levels of government. We have analyzed this proposed rule under that Order and have determined that it is consistent with the fundamental federalism principles and preemption requirements described in Executive Order 13132.

Also, this proposed rule does not have tribal implications under Executive Order 13175, Consultation and Coordination with Indian Tribal Governments, because it would not have a substantial direct effect on one or more Indian tribes, on the relationship between the Federal Government and Indian tribes, or on the distribution of power and responsibilities between the Federal Government and Indian tribes. If you believe this proposed rule has implications for federalism or Indian tribes, please contact the person listed in the **FOR FURTHER INFORMATION CONTACT** section above.

E. Unfunded Mandates Reform Act

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

F. Environment

We have analyzed this proposed rule under Department of Homeland Security Management Directive 023–01 and Commandant Instruction M16475.lD, which guide the Coast Guard in complying with the National Environmental Policy Act of 1969 (42 U.S.C. 4321–4370f), and have made a preliminary determination that this action is one of a category of actions that do not individually or cumulatively have a significant effect on the human environment. This proposed rule involves implementation of regulations within 33 CFR part 100 applicable to organized marine events on the navigable waters of the United States that may negatively impact the safety of waterway users and shore side activities within the event area. This category of marine event water activities includes but is not limited to sail boat regattas, boat parades, power boat racing, swimming events, crew racing, canoe and sail board racing. Normally such actions are categorically excluded from further review under paragraph 34(h) of Figure 2–1 of Commandant Instruction M16475.lD. A preliminary Record of Environmental Consideration (REC) is available in the docket where indicated under **ADDRESSES**. We seek any comments or information that may lead to the discovery of a significant environmental impact from this proposed rule.

G. Protest Activities

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

V. Public Participation and Request for Comments

We view public participation as essential to effective rulemaking, and will consider all comments and material received during the comment period. Your comment can help shape the outcome of this rulemaking. If you submit a comment, please include the docket number for this rulemaking, indicate the specific section of this document to which each comment applies, and provide a reason for each suggestion or recommendation.

We encourage you to submit comments through the Federal eRulemaking Portal at *http://www.regulations.gov.* If your material cannot be submitted using *http://www.regulations.gov,* contact the person in the **FOR FURTHER INFORMATION CONTACT** section of this document for alternate instructions.

We accept anonymous comments. All comments received will be posted without change to *http://www.regulations.gov* and will include any personal information you have provided. For more about privacy and the docket, you may review a Privacy Act notice regarding the Federal Docket Management System in the March 24, 2005, issue of the **Federal Register** (70 FR 15086).

Documents mentioned in this NPRM as being available in the docket, and all public comments, will be in our online docket at *http://www.regulations.gov* and can be viewed by following that Web site's instructions. Additionally, if you go to the online docket and sign up for email alerts, you will be notified when comments are posted or a final rule is published.

List of Subjects in 33 CFR Part 100

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

For the reasons discussed in the preamble, the Coast Guard proposes to amend 33 CFR part 100 as follows:

PART 100—SAFETY OF LIFE ON NAVIGABLE WATERS

■ 1. The authority citation for part 100 continues to read as follows:

Authority: 33 U.S.C. 1233.

■ 2. Add § 100.35–T05–0571 to read as follows:

§ 100.501–T05–0571 Special Local Regulation; Choptank River, Cambridge, MD.

(a) *Definitions.* (1) *Captain of the Port Maryland-National Capital Region* means the Commander, U.S. Coast Guard Sector Maryland-National Capital Region or a Coast Guard commissioned, warrant or petty officer who has been authorized by the Captain of the Port to act on his behalf.

(2) *Coast Guard Patrol Commander* means a commissioned, warrant, or petty officer of the U.S. Coast Guard who has been designated by the Commander, Coast Guard Sector Maryland-National Capital Region.

(3) *Official Patrol* means any vessel assigned or approved by Commander, Coast Guard Sector Maryland-National Capital Region with a commissioned, warrant, or petty officer on board and displaying a Coast Guard ensign.

(4) *Spectator* means any person or vessel not registered with the event sponsor as a participant or an official patrol vessel.

(5) *Participant* means any person or vessel participating in the Thunder on the Choptank event under the auspices of the Marine Event Permit issued to the event sponsor and approved by Commander, Coast Guard Sector Maryland-National Capital Region.

(b) *Regulated area.* All coordinates reference Datum NAD 1983. (1) *Coordinates:* The following location is a regulated area: All navigable waters within Hambrooks Bay and Choptank River west and south of a line commencing at the shoreline, at latitude 38°35′00″ N., longitude 076°04′43″ W., thence east to latitude 38°35′00″ N., longitude 076°04′23.7″ W., thence north to latitude 38°35′22.7″ N., longitude 076°04′23.7″ W., thence northwest to latitude 38°35′42.2″ N., longitude 076°04′51.1″ W., at Hambrooks Bar Light LLNR 24995, thence southwest to latitude 38°35′34.2″ N., longitude 076°05′12.3″ W., terminating at the Hambrooks Bay breakwall as it intersects the shoreline.

(2) *Race area:* Located within the waters of Hambrooks Bay and Choptank River, in an area bound to the north by the Hambrooks Bay breakwall and bounded to the east by a line drawn along longitude 076°04′37″ W.

(3) *Buffer zone:* All waters within Hambrooks Bay and Choptank River (with the exception of the Race Area designated by the marine event sponsor) bound to the north by the breakwall and continuing along a line drawn from the east end of breakwall located at latitude 38°35′27.6″ N., longitude 076°04′50.1″ W., thence southeast to latitude 38°35′17.7″ N., longitude 076°04′29″ W., thence south to latitude 38°35′01″ N., longitude 076°04′29″ W., thence west to the shoreline at latitude 38°35′01″ N., longitude 076°04′41.3″ W.

(4) *Spectator area:* All waters of the Choptank River, eastward and outside of Hambrooks Bay breakwall, thence bound by line that commences at latitude 38°35′27.6″ N., longitude 076°04′50.1″ W., thence southeast to latitude 38°35′21.3″ N., longitude 076°04′37.2″ W., thence southeast to latitude 38°35′21.3″ N., longitude 076°04′37.2″ W., thence northeast to latitude 38°35′27.8″ N., longitude 076°04′30.5″ W., thence northwest to latitude 38°35′42.2″ N., longitude 076°04′51.1″ W., at Hambrooks Bar Light LLNR 24995, thence south to and terminating at the point of origin.

(c) *Special local regulations:* (1) The Captain of the Port Maryland-National Capital Region or the Coast Guard Patrol Commander may forbid and control the movement of all vessels and persons, including event participants, in the regulated area. When hailed or signaled by an official patrol, a vessel or person in the regulated area shall immediately comply with the directions given. Failure to do so may result in expulsion from the area, citation for failure to comply, or both.

(2) The operator of any vessel in the regulated area shall:

(i) Stop the vessel immediately when directed to do so by any Official Patrol and then proceed only as directed.

(ii) All persons and vessels shall comply with the instructions of the Official Patrol.

(iii) When authorized to transit the regulated area, all vessels shall proceed at the minimum speed necessary to maintain a safe course that minimizes wake near the race course.

(3) The Coast Guard Patrol Commander may terminate the event, or the operation of any participant, at any time it is deemed necessary for the protection of life or property.

(4) The Race Area is an area described by a line bounded by coordinates provided in latitude and longitude that outlines the boundary of a Race Area within the regulated area defined in paragraph (b)(2) of this section. The actual placement of the Race Area will be determined by the marine event sponsor within the designated boundaries. Only participants and official patrol vessels are allowed to enter the Race Area.

(5) The Buffer Zone is an area that surrounds the perimeter of the Race Area within the regulated area defined in paragraph (b)(3) of this section. The purpose of a Buffer Zone is to minimize potential collision conflicts with participants and spectators or nearby transiting vessels. This area provides separation between the Race Area and Spectator Area or other vessels that are operating in the vicinity of the regulated area defined in paragraph (b)(1) of this section. Only participants and official patrol vessels are allowed to enter the Buffer Zone.

(6) The Spectator Area is an area described by a line bounded by coordinates provided in latitude and longitude that outlines the boundary of a spectator area within the regulated area defined in paragraph (b)(4) of this section. Spectators are only allowed inside the regulated area if they remain within the Spectator Area. All spectator vessels shall be anchored or operate at a no-wake speed while transiting within the Spectator Area. Spectators may contact the Coast Guard Patrol Commander to request permission to either enter the Spectator Area or pass through the regulated area. If permission is granted, spectators must enter the Spectator Area or pass directly through the regulated area as instructed at safe speed and without loitering.

(7) The Coast Guard Patrol Commander and official patrol vessels enforcing this regulated area can be contacted on marine band radio VHF–FM channel 16 (156.8 MHz) and channel 22A (157.1 MHz). Persons and vessels desiring to transit, moor, or anchor within the regulated area must obtain authorization from Captain of the Port Maryland-National Capital Region or Coast Guard Patrol Commander. The Captain of the Port Maryland-National Capital Region can be contacted at telephone number 410–576–2693 or on Marine Band Radio, VHF–FM channel 16 (156.8 MHz). The Coast Guard Patrol Commander can be contacted on Marine Band Radio, VHF–FM channel 16 (156.8 MHz).

(8) The Coast Guard will publish a notice in the Fifth Coast Guard District Local Notice to Mariners and issue a

marine information broadcast on VHF–FM marine band radio.

(d) *Enforcement.* The Coast Guard may be assisted with marine event patrol and enforcement of the regulated area by other Federal, State, and local agencies.

(e) *Enforcement periods.* This section will be enforced from 8:30 a.m. until 5:30 p.m. on August 19, 2017, and from 8:30 a.m. until 5:30 p.m. on August 20, 2017.

Dated: July 3, 2017.

Lonnie P. Harrison, Jr.,

Captain, U.S. Coast Guard, Captain of the Port Maryland-National Capital Region.

[FR Doc. 2017–14366 Filed 7–7–17; 8:45 am]

BILLING CODE 9110–04–P

POSTAL REGULATORY COMMISSION

39 CFR Part 3010

[Docket No. R2017–7; Order No. 3990]

Move Update Assessment

AGENCY: Postal Regulatory Commission.

ACTION: Notice.

SUMMARY: The Commission is noticing a recent Postal Service filing requesting its intent to amend prices and classification language for Move Update. This notice informs the public of the filing, invites public comment, and takes other administrative steps.

DATES: *Comments are due:* July 20, 2017.

ADDRESSES: Submit comments electronically via the Commission's Filing Online system at *http://www.prc.gov*. Those who cannot submit comments electronically should contact the person identified in the **FOR FURTHER INFORMATION CONTACT** section by telephone for advice on filing alternatives.

FOR FURTHER INFORMATION CONTACT: David A. Trissell, General Counsel, at 202–789–6820.

SUPPLEMENTARY INFORMATION:

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I. Introduction
II. Overview
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I. Introduction

In accordance with 39 U.S.C. 3622 and 39 CFR part 3010, the Postal Service filed notice of its intent to amend prices and classification language for Move Update.[1] The Postal Service seeks Commission approval for the introduction of a new method of Move Update verification, corresponding changes to the assessment charge, and other related classification changes. Notice at 1.

II. Overview

A. Price and Classification Changes

The Postal Service asserts that it provides the information required by 39 CFR 3010.12, and certifies that it will inform the public of the price adjustment as required by 30 CFR 3010.12(a)(3). *Id.* at 2–3.

The Postal Service states that it plans to introduce a new method of Move Update verification and amend the existing Move Update assessment charge applicable to First-Class Mail letters and flats, and Marketing Mail letters and flats. *Id.* at 3. The Postal Service describes the new method of Move Update verification as a method that checks all eligible pieces to measure the proportion of pieces that have not been properly updated to reflect a Change of Address order. *Id.* at 5. The new method utilizes Intelligent Mail barcode technology to verify the address quality of mail submitted via electronic documentation. *Id.* The Postal Service proposes to increase the Move Update assessment charge, applicable to the number of mailpieces with Change of Address errors exceeding a threshold, from $0.07 to $0.08. *Id.* at 5–6.

The Postal Service also proposes removing a reference in the Mail Classification Schedule to the Move Update assessment charge from Marketing Mail Parcels, as the charge does not apply to that product. *Id.* at 8.

The Postal Service also proposes to extend the Full Service Intelligent Mail benefit of no-fee Address Correction Service to mailers who enter qualifying pieces that meet the criteria of the new verification method and meet the Full-Service threshold (95 percent). *Id.* at 8–9.

B. Price Cap Compliance

The Postal Service states that its financial workpapers show that the percentage changes in each mail class comply with the annual limitation of available price adjustment authority.[2] *Id.* at 11.

III. Initial Commission Action

The Commission establishes Docket No. R2017–7 to consider the matters raised by the Notice. The Commission invites comments on whether the Postal Service's filing is consistent with the requirements of 39 U.S.C. 3622 and 39 CFR part 3010. Comments are due July 20, 2017. *See* 39 CFR 3010.11(a)(5); 3001.15. The public portions of these filings can be accessed via the Commission's Web site (*http://www.prc.gov*).

The Commission appoints Kenneth E. Richardson to serve as an officer of the Commission to represent the interests of the general public in these proceedings (Public Representative).

IV. Ordering Paragraphs

It is ordered:

1. The Commission establishes Docket No. R2017–7 to consider the matters raised by the Notice.

2. Comments are due July 20, 2017.

3. Pursuant to 39 U.S.C. 505, Kenneth E. Richardson is appointed to serve as an officer of the Commission to represent the interests of the general public in these proceedings (Public Representative).

4. The Acting Secretary shall arrange for publication of this order in the **Federal Register**.

By the Commission.

Ruth Ann Abrams,

Acting Secretary.

[FR Doc. 2017–14318 Filed 7–7–17; 8:45 am]

BILLING CODE 7710–FW–P

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 52

[EPA–R04–OAR–2017–0022; FRL–9964–61–Region 4]

Air Plan Approval; Kentucky; Louisville Miscellaneous Rule Revisions

AGENCY: Environmental Protection Agency (EPA).

ACTION: Proposed rule.

SUMMARY: On August 29, 2012, the Commonwealth of Kentucky, through the Kentucky Division for Air Quality (KDAQ), submitted changes to the Kentucky State Implementation Plan (SIP) on behalf of the Louisville Metro Air Pollution Control District (District or Jefferson County). The Environmental Protection Agency (EPA) is proposing to approve several changes that modify the District's air quality regulations as incorporated into the SIP. The changes

[1] United States Postal Service Notice of Market Dominant Price Adjustment and Classification Changes, June 30, 2017 (Notice).

[2] Library Reference USPS–LR–2017–7/1, June 30, 2017 (First-Class Mail Workpapers); Library Reference USPS–LR–2017–7/2, June 30, 2017 (Marketing Mail Workpapers); Library Reference USPS–LR–2017–7/3, June 30, 2017 (Special Services Workpapers); Library Reference USPS–LR–2017–7/4, June 30, 2017 (Move Update Census Data); Library Reference USPS–LR–2017–7/NP1, June 30, 2017 (First Class Mail International Workpapers (Nonpublic)).

to the regulatory portion of the SIP that EPA is proposing to approve pertain to definitional changes, administrative amendments, open burning, standards of performance, and volatile organic compounds (VOCs). EPA is proposing to approve these changes because the Commonwealth and Jefferson County have demonstrated that these changes are consistent with the Clean Air Act (CAA or Act).

DATES: Written comments must be received on or before August 9, 2017.

ADDRESSES: Submit your comments, identified by Docket ID No. EPA–R04–OAR–2017–0022 at *https://www.regulations.gov*. Follow the online instructions for submitting comments. Once submitted, comments cannot be edited or removed from *Regulations.gov*. EPA may publish any comment received to its public docket. Do not submit electronically any information you consider to be Confidential Business Information (CBI) or other information whose disclosure is restricted by statute. Multimedia submissions (audio, video, etc.) must be accompanied by a written comment. The written comment is considered the official comment and should include discussion of all points you wish to make. EPA will generally not consider comments or comment contents located outside of the primary submission (*i.e.,* on the web, cloud, or other file sharing system). For additional submission methods, the full EPA public comment policy, information about CBI or multimedia submissions, and general guidance on making effective comments, please visit *https://www2.epa.gov/dockets/commenting-epa-dockets*.

FOR FURTHER INFORMATION CONTACT: Sean Lakeman, Air Regulatory Management Section, Air Planning and Implementation Branch, Air, Pesticides and Toxics Management Division, U.S. Environmental Protection Agency, Region 4, 61 Forsyth Street SW., Atlanta, Georgia 30303–8960. The telephone number is (404) 562–9043. Mr. Lakeman can be reached via electronic mail at *lakeman.sean@epa.gov*.

SUPPLEMENTARY INFORMATION:

I. What action is EPA taking?

On August 29, 2012, KDAQ submitted a SIP revision to EPA for approval that involves changes to Jefferson County regulations related to acronym additions, administrative amendments, open burning, standards of performance, and VOCs. EPA is proposing to approve the changes to Jefferson County Regulation 1.03—*Abbreviations and Acronyms;* Regulation 1.08—*Administrative Procedures;* Regulation 1.11—*Control of Open Burning;* Regulation 1.19—*Administrative Hearings;* Regulation 6.18—*Standards of Performance for Solvent Metal Cleaning Equipment;* Regulation 6.43—*Volatile Organic Compound Emission Reduction Requirements;* and repeal Regulation 7.18—*Standards of Performance for New Solvent Metal Cleaning Equipment*.

II. Background

This proposed action will update Kentucky's acronyms and make changes to other regulations approved into the SIP. The changes made to the regulations other than definitions are administrative in nature, including updating internal references. Kentucky's August 29, 2012, SIP revision can be found in the docket for this proposed rulemaking at *www.regulations.gov* and are summarized below.

III. EPA's Analysis of Kentucky's August 29, 2012, SIP Revision

a. Regulations 1.03 Abbreviations and Acronyms

The August 29, 2012, SIP revision changes Regulation 1.03 by adding acronyms and abbreviations and is referred to as version 6 of this regulation. EPA is proposing to approve all of the changes to Regulation 1.03. Changes to Regulation 1.03 consist of adding acronyms to make them consistent with definitions used by EPA. Several acronyms were added to Regulation 1.03 for clarity. Some of the acronyms that were added are associated with various cancer terms. Other acronyms pertain to areas such as modeling, environmental acceptability, integrated risk, lethal concentrations, and toxics. Most of the acronyms were added due to the adoption of the Strategic Toxic Air Reduction Program (STAR) Program, which was adopted on June 21, 2005.

b. Regulation 1.08 Administrative Procedures

The August 29, 2012, SIP revision also makes changes to Regulation 1.08 by updating the regulation to be consistent with the state regulation in the Commonwealth of Kentucky's statutes. Versions 12 and 13 of this regulation have been submitted for approval in this submission. The changes to Regulation 1.08 mostly contain provisions for open records in Section 6 ''*Confidentiality and Open Records Policy*.'' The District's changes make the rule consistent with the Kentucky Open Records Act, Kentucky Revised Statutes (KRS) 61.870 to 61.884. The changes to the Open Records Act are to reflect the currently available technology options for delivering submissions. The District also is making some revisions to the public hearing section due to the adoption of the STAR Program. Section 3 ''*Procedures at Public Hearings*'' is being updated to: Reflect the public hearing procedures that have been implemented for many years, which add ''representative of the affective entity'' to replace ''the petitioner;'' consolidate Regulation 3.13 and 3.14 to allow persons to submit evidence and make a statement in support of and in opposition to a proposed action; and make a few other non-substantive wording changes.

c. Regulation 1.11 Control of Open Burning

The August 29, 2012, submittal also makes changes to Regulation 1.11 which updates the restrictions on open burning. Versions 9 and 10 of this regulation have been submitted for approval in this submission. The proposed changes to Regulation 1.11 enhance the District's control over open burning activities that are exempt from the general prohibition of open burning by requiring written requests and/or notice, including information about the material to be burned, and District approval for various types of fires. Agricultural fires are further restricted to occur at times when there is a maximum wind speed of 15 miles per hour.

The regulation has also been updated to recognize fire pits. Similar to the provision for personal cooking fires, personal fires from small fire pits, including chimineas and open-top fire chambers do not require the District's approval and are exempt from the general prohibition on open burning. The size restriction for personal fire pits is 3x3x3 feet. Ceremonial and commercial fires, regardless of whether they occur in fire pits, still require the District's approval and are restricted in size to 5x5x5 feet. The changes also removed reference to the flare stacks as open burning, added language about special case fires and how they would be treated on an individual basis, described accelerants that are prohibited, and prohibited barrel burning.

d. Regulation 1.19 Administrative Hearings

The August 29, 2012, SIP revision also makes changes to the language in Regulation 1.19 to make it consistent with KRS 77.310 *Proceedings for alleged violations of chapter or regulations and for petitions for a hearing on board*

orders or determination—Hearing officer. The language in Regulation 1.19 was revised from applying solely to Board orders and expanded to include Board orders and ''determinations.'' Version 2 of this regulation has been submitted for approval in this SIP revision. The other amendments to this regulation ensure that there is not a conflict of interest between board members and anyone affiliated with the proceeding. It bars communication between any party affiliated with a proceeding and any member of the Board.

e. Regulation 6.18 Standards of Performance for Solvent Metal Cleaning Equipment

The August 29, 2012, SIP revision also makes changes to Regulation 6.18 which updates the restrictions on solvent cleaning. Version 7 of this regulation has been submitted for approval in this SIP revision. Regulation 6.18 is being changed to reduce VOC emissions from cold cleaning equipment through adding work place standards and requirements for equipment use, including cover requirements, flushing, solvent flow, fan placement, solvent storage, and parts cleaning instructions. Changes also include requiring owners and operators of cold cleaning equipment to evaluate the possibility of using lower or non-VOC containing solvents whenever feasible. The changes to the regulation have to be implemented before the issuance of a permit pursuant to Regulations 2.16 *Title V Operating Permits* or Regulation 2.05 *Prevention of Significant Deterioration of Air Quality*. The update to this regulation will now supersede Regulation 7.18 and allow its repeal.

f. Regulation 6.43 Volatile Organic Compound Emission Reduction Requirements

The August 29, 2012, SIP revision, if approved, also makes changes to Regulation 6.43, which updates VOC emissions reduction strategy, including operational requirements for named stationary sources, each of which has voluntarily agreed to these requirements. Versions 4 and 5 of this regulation have been submitted for approval in this SIP revision. The changes to this regulation include: An emission reduction strategy for American Synthetic Rubber Company to allow the use of a new oxidizer or boiler to control emissions, an update to the names of four stationary sources that changed names, and a change to the emission inventory system number for Dupont Dow Elastomers L.L.C. in Section 11 to the current number. Also, two stationary sources that are no longer in operation are being removed from the emissions inventory. This SIP revision also replaced Carbide Industries' company specific VOC reduction process with an equivalent plant-wide VOC limit. Carbide Industries LLC requested a revision to the operating procedures while leaving the VOC emission limits in place. The previous operating procedures of the regulation would not have permitted storage of acetylene onsite. Because Carbide Industries no longer has a buyer of acetylene, which is a byproduct of their process, they now have a need to store acetylene onsite. This change allows Carbide Industries to remain in compliance with Regulation 6.43 while achieving equivalent VOC reductions, which is the intended purpose of the regulation.

g. Regulation 7.18 Standards of Performance for New Solvent Metal Cleaning Equipment

The August 29, 2012, SIP revision also repeals Regulation 7.18 because it was superseded by Regulation 6.18—*Standards of Performance for Solvent Metal Cleaning Equipment.* In this SIP revision, the District combined Regulation 7.18 and 6.18 because the two regulations have identical requirements and standards, only differing in applicability. Originally, Regulation 7.18—*Standards of Performance for New Solvent Metal Cleaning Equipment* was only for new facilities, and Regulation 6.18—*Standards of Performance for Existing Solvent Metal Cleaning Equipment* was only for existing facilities. In the August 29, 2012, SIP revision, Regulation 6.18 has been updated with wording changes to incorporate the two regulations, and the new title is Regulation 6.18—*Standards of Performance for Solvent Metal Cleaning Equipment,* which applies to all facilities. By combining the two regulations, Regulation 7.18 is no longer needed and can be repealed. Regulation 6.18 is also revised to remove requirements that are no longer applicable. In 2000, Jefferson County prohibited the sale or use of solvents with vapor pressures greater than 1 mm Hg in cold cleaners. Regulation 6.18 was revised to remove requirements for solvents with higher vapor pressures, since they are no longer sold or used in Jefferson County.

IV. Incorporation by Reference

In this rule, EPA is proposing to include in a final EPA rule regulatory text that includes incorporation by reference. In accordance with requirements of 1 CFR 51.5, EPA is proposing to incorporate by reference Jefferson County Regulation 1.03—*Abbreviations and Acronyms,* which had a state effective date of January 16, 2008; Regulation 1.08—*Administrative Procedures,* in which version 13 had an effective date of March 21, 2010; Regulation 1.11—*Control of Open Burning;* Regulation, in which version 10 has an effective date of January 16, 2008; 1.19—*Administrative Hearings,* which has an effective date of January 16, 2008; Regulation 6.18—*Standards of Performance for Solvent Metal Cleaning Equipment,* which has an effective date of May 9, 2003; and Regulations 6.43—*Volatile Organic Compound Emissions Reduction Requirements,* in which version 5 has an effective date of February 15, 2006. EPA has made, and will continue to make, these documents generally available electronically through *https://www.regulations.gov* and/or in hard copy at the Region 4 office (see the **ADDRESSES** section of this preamble for more information).

V. Proposed Action

EPA is proposing to approve Kentucky's August 29, 2012, SIP revision, submitted on behalf of the District, because it is consistent with the CAA. EPA believes that all of these proposed changes are consistent with section 110 of the CAA and meet the regulatory requirements pertaining to SIPs, including CAA section 110(l), since these changes are administrative in nature and will not interfere with any applicable requirement concerning attainment and reasonable further progress, or any other applicable requirement of the CAA.

VI. Statutory and Executive Order Reviews

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

- Is not a significant regulatory action subject to review by the Office of Management and Budget under Executive Orders 12866 (58 FR 51735, October 4, 1993) and 13563 (76 FR 3821, January 21, 2011);
- does not impose an information collection burden under the provisions

of the Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*);

• is certified as not having a significant economic impact on a substantial number of small entities under the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*);

• does not contain any unfunded mandate or significantly or uniquely affect small governments, as described in the Unfunded Mandates Reform Act of 1995 (Pub. L. 104–4);

• does not have Federalism implications as specified in Executive Order 13132 (64 FR 43255, August 10, 1999);

• is not an economically significant regulatory action based on health or safety risks subject to Executive Order 13045 (62 FR 19885, April 23, 1997);

• is not a significant regulatory action subject to Executive Order 13211 (66 FR 28355, May 22, 2001);

• is not subject to requirements of Section 12(d) of the National Technology Transfer and Advancement Act of 1995 (15 U.S.C. 272 note) because application of those requirements would be inconsistent with the CAA; and

• does not provide EPA with the discretionary authority to address, as appropriate, disproportionate human health or environmental effects, using practicable and legally permissible methods, under Executive Order 12898 (59 FR 7629, February 16, 1994).

The SIP is not approved to apply on any Indian reservation land or in any other area where EPA or an Indian tribe has demonstrated that a tribe has jurisdiction. In those areas of Indian country, the rule does not have tribal implications as specified by Executive Order 13175 (65 FR 67249, November 9, 2000), nor will it 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, Sulfur dioxide, Reporting, Volatile organic compounds, and Recordkeeping requirements.

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

Dated: June 26, 2017.

V. Anne Heard,

Acting Regional Administrator, Region 4.

[FR Doc. 2017–14399 Filed 7–7–17; 8:45 am]

BILLING CODE 6560–50–P

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 52

[EPA–R04–OAR–2016–0362; FRL–9964–66–Region 4]

Air Plan Approval; North Carolina Miscellaneous Rules

AGENCY: Environmental Protection Agency (EPA).

ACTION: Proposed rule.

SUMMARY: The Environmental Protection Agency (EPA) is proposing to approve several changes to the North Carolina State Implementation Plan (SIP) submitted by the State of North Carolina, through the North Carolina Department of Environmental Quality (NCDEQ), on December 14, 2004 and March 1, 2016. The March 1, 2016, submission adds a new rule to the ''Exclusionary Rules'' of the North Carolina SIP, and the portion of the December 14, 2004, submission EPA is proposing to approve adds two new rules under a new section called ''Permit Exemptions.'' This action is being taken pursuant to the Clean Air Act (CAA or Act).

DATES: Comments must be received on or before August 9, 2017.

ADDRESSES: Submit your comments, identified by Docket ID No. EPA–R04–OAR–2016–0362 at *https://www.regulations.gov.* Follow the online instructions for submitting comments. Once submitted, comments cannot be edited or removed from *Regulations.gov*. EPA may publish any comment received to its public docket. Do not submit electronically any information you consider to be Confidential Business Information (CBI) or other information whose disclosure is restricted by statute. Multimedia submissions (audio, video, etc.) must be accompanied by a written comment. The written comment is considered the official comment and should include discussion of all points you wish to make. EPA will generally not consider comments or comment contents located outside of the primary submission (*i.e.,* on the web, cloud, or other file sharing system). For additional submission methods, the full EPA public comment policy, information about CBI or multimedia submissions, and general guidance on making effective comments, please visit *https://www2.epa.gov/dockets/commenting-epa-dockets.*

FOR FURTHER INFORMATION CONTACT: Sean Lakeman, Air Regulatory Management Section, Air Planning and Implementation Branch, Air, Pesticides and Toxics Management Division, U.S. Environmental Protection Agency, Region 4, 61 Forsyth Street SW., Atlanta, Georgia 30303–8960. The telephone number is (404) 562–9043. Mr. Lakeman can also be reached via electronic mail at *lakeman.sean@epa.gov.*

SUPPLEMENTARY INFORMATION:

I. Analysis of the State Submittals

On December 14, 2004 and March 1, 2016, the State of North Carolina, through NCDEQ, submitted revisions to the North Carolina SIP. EPA is proposing to approve the March 1, 2016, submission which adds a new rule—15A NCAC 02Q .0809 *Concrete Batch Plants* and a portion of the December 14, 2004, submission which adds two new rules—15A NCAC 02Q .0901, *Purpose and Scope* and .0902 *Portable Crushers.* EPA has preliminarily determined that these changes to the North Carolina SIP are approvable pursuant to section 110 of the CAA. The changes that are the subject of this proposed rulemaking are described in further detail below.

A. March 1, 2016, SIP Submission

The March 1, 2016, submission adds a new exclusionary rule for concrete batch plants (15A NCAC 02Q .0809 *Concrete Batch Plants*) that excludes from Title V permitting requirements such facilities that operate below a specified annual production rate. The production rate that qualifies concrete batch plants for this permit exclusion is 1,210,000 cubic yards of wet concrete per year, which, based on an emission factor, corresponds to an emission rate below the major source threshold. Subject facilities are required to submit an annual registration to the appropriate regional office and report the quantity of wet concrete produced in the previous calendar year and maintain records of annual production for the previous three calendar years. This annual certification that the facility's production rate is below the specified level ensures continued protection of the NAAQS, specifically particulate matter, which is of particular relevance because concrete batch plants emit particulate matter, including particulate matter with an aerodynamic diameter less than 10 micrometers (PM_{10}) and less than 2.5 micrometers ($PM_{2.5}$). These excluded sources must also make prompt reports if they exceed the annual production rate limit, submitted within one week of the date on which the limit was exceeded.

The rule excludes from Title V permitting requirements all concrete batch plants in the state that produce

less than 1.2 million cubic yards of wet concrete per calendar year and that are equipped with fabric filters or other functionally equivalent control devices to abate emissions of particulate matter, PM_{10} and $PM_{2.5}$, from storage silos and weigh hoppers that receive materials from cement and mineral admixture silos. The annual production limit of 1.2 million cubic yards of wet concrete is designed to limit particulate matter emissions from plants equipped with fabric filters to less than the Title V permitting thresholds and is based on standard emission factors in use at the time of rule adoption.[1]

B. December 14, 2004, SIP Submission

The portion of the December 14, 2004, SIP submission that EPA is proposing to approve adds a new section (Section .0900 *Permit Exemptions*), which includes the following two new regulations:

a. 15A NCAC 02Q .0901 *Purpose and Scope* is a new exclusionary rule which provides for exclusions from construction and operating permits for certain types of sources and activities. Sources subject to Title V permitting requirements are not eligible for exclusion under this rule. Sources eligible for permit exclusions under this rule may still apply for and receive construction and operating permits. At the time of this submittal, only one source category would be eligible for exclusion from permitting under Section .0900, if approved as proposed: Portable Crushers. The rule excludes from general construction and operating permitting requirements all specific listed sources that, due to the temporary, portable, and/or low-emitting nature of their operations, typically do not meet the applicability requirements for air permits, so long as they meet the requirements for the exclusion. These source-specific exclusions contain provisions that limit the sources' potential emissions, such as constraints on operating hours and fuel consumption. The exclusions' use of operational or production-based limits instead of potential-emissions limits would streamline sources' analyses of whether or not they are required to obtain a permit.

b. 15A NCAC 02Q .0902 *Portable Crushers,* is an exclusionary rule which provides for exclusions from construction and operating permits for portable crusher operations that meet the following criteria:

- No more than 300,000 tons of material crushed per any 12-month period;
- No more than 17,000 gallons of diesel fuel burned during any 12 months (for both diesel generators and diesel engines used to drive crushers);
- No more than 12 months of operation at a particular site;
- Continuous use of water spray to control emissions from the crushers.

Portable crushers operating at quarries with air permits are not eligible for this permit exclusion.

The rule excludes from general construction and operating permitting requirements portable/temporary crushing operations, providing the eligibility criteria listed above are met. The eligibility criteria are designed to ensure that these portable crushing operations do not operate for more than 12 months at a site. Records of production and fuel consumption must be maintained, and all equipment at each site must be labeled with unique identification numbers. The eligibility criteria are also based on corresponding emission rates and are thus designed to ensure that potential emissions of particulate matter (including PM_{10} and $PM_{2.5}$), sulfur dioxide, and oxides of nitrogen from these sources are below relevant permit applicability thresholds. Therefore, the revision will not interfere with attainment and maintenance of the NAAQS pursuant to CAA section 110(l).

Crushing operations eligible for this permitting exclusion must still comply with all applicable air quality standards, such as Rule .0510 *Particulates from Sand, Gravel, or Crushed Stone Operations,* .0516 *Sulfur Dioxide Emissions from Combustion Sources,* and .0521 *Control of Visible Emissions,* and any New Source Performance Standard, among other state and federal air quality standards.

II. Incorporation by Reference

In this rule, EPA is proposing to include in a final EPA rule regulatory text that includes incorporation by reference. In accordance with requirements of 1 CFR 51.5, EPA is proposing to incorporate by reference 15A NCAC 02Q .0809 entitled ''*Concrete Batch Plants*'' effective April 1, 2004, a new exclusionary rule for concrete batch that excludes from Title V permitting requirements such facilities that operate below a specified annual production rate; 15A NCAC 02Q .0901 entitled ''*Purpose and Scope*'' effective January 1, 2005, a new exclusionary rule which provides for exclusions from construction and operating permits for certain types of sources and activities; and 15A NCAC 02Q .0902 entitled ''*Portable Crushers*'' effective January 1, 2005, an exclusionary rule which provides for exclusions from construction and operating permits for portable crusher operations. EPA has made, and will continue to make, these materials generally available through *https://www.regulations.gov* and/or at the EPA Region 4 office (please contact the person identified in the **FOR FURTHER INFORMATION CONTACT** section of this preamble for more information).

III. Proposed Action

EPA is proposing to approve North Carolina's March 1, 2016, submission and a portion of the December 14, 2004, submission. The changes pertain to the addition of two new rules under a new section ''Permit Exemptions'' and adds a new rule to the ''Exclusionary Rules'' of the North Carolina SIP. These rule adoptions do not contravene federal permitting requirements or existing EPA policy, nor will they impact the NAAQS or interfere with any other applicable requirement of the Act. *See* 42 U.S.C. 7410(l).

IV. Statutory and Executive Order Reviews

Under the CAA, the Administrator is required to approve a SIP submission that complies with the provisions of the Act and applicable federal regulations. *See* 42 U.S.C. 7410(k); 40 CFR 52.02(a). Thus, in reviewing SIP submissions, EPA's role is to approve state choices, provided that they meet the criteria of the CAA. Accordingly, this 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, these proposed action:

- Are not a significant regulatory action subject to review by the Office of Management and Budget under Executive Orders 12866 (58 FR 51735, October 4, 1993) and 13563 (76 FR 3821, January 21, 2011);
- do not impose an information collection burden under the provisions of the Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*);
- are 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.*);
- do 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);

[1] North Carolina cites EPA's AP–42 (U.S. EPA Office of Air Quality Planning and Standards, *Compilation of Air Pollutant Emission Factors, Volume I: Stationary Point and Area Sources, AP–42. Fifth Edition*) in its response to comments from the December 14, 2004, submittal included as an attachment to the March 1, 2016, submittal.

• do not have Federalism implications as specified in Executive Order 13132 (64 FR 43255, August 10, 1999);

• are not an economically significant regulatory action based on health or safety risks subject to Executive Order 13045 (62 FR 19885, April 23, 1997);

• are not a significant regulatory action subject to Executive Order 13211 (66 FR 28355, May 22, 2001);

• are 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

• do 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).

The SIP is not approved to apply on any Indian reservation land or in any other area where EPA or an Indian tribe has demonstrated that a tribe has jurisdiction. In those areas of Indian country, the rule does not have tribal implications as specified by Executive Order 13175 (65 FR 67249, November 9, 2000), nor will it impose substantial direct costs on tribal governments or preempt tribal law.

List of Subjects in 40 CFR Part 52

Environmental protection, Air pollution control, Incorporation by reference, Ozone, Particulate matter, Reporting and recordkeeping requirements, Sulfur oxides, Volatile organic compounds.

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

Dated: June 26, 2017.

V. Anne Heard,

Acting Regional Administrator, Region 4.

[FR Doc. 2017–14397 Filed 7–7–17; 8:45 am]

BILLING CODE 6560–50–P

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 52

[EPA–R05–OAR–2016–0603; FRL–9964–62–Region 5]

Air Plan Approval; Minnesota; Prevention of Significant Deterioration

AGENCY: Environmental Protection Agency (EPA).

ACTION: Proposed rule.

SUMMARY: The Environmental Protection Agency (EPA) is proposing to approve a revision to the Minnesota State Implementation Plan (SIP) submitted on October 4, 2016. EPA is proposing to approve the state's Prevention of Significant Deterioration (PSD) rules which incorporate the Federal PSD rules by reference.

DATES: Comments must be received on or before August 9, 2017.

ADDRESSES: Submit your comments, identified by Docket ID No. EPA–R05–OAR–2016–0603 at *http://www.regulations.gov,* or via email to *damico.genevieve@epa.gov*. For comments submitted at *Regulations.gov*, follow the online instructions for submitting comments. Once submitted, comments cannot be edited or removed from *Regulations.gov*. For either manner of submission, EPA may publish any comment received to its public docket. Do not submit electronically any information you consider to be Confidential Business Information (CBI) or other information whose disclosure is restricted by statute. Multimedia submissions (audio, video, etc.) must be accompanied by a written comment. The written comment is considered the official comment and should include discussion of all points you wish to make. EPA will generally not consider comments or comment contents located outside of the primary submission (*i.e.,* on the web, cloud, or other file sharing system). For additional submission methods, please contact the person identified in the **FOR FURTHER INFORMATION CONTACT** section. For the full EPA public comment policy, information about CBI or multimedia submissions, and general guidance on making effective comments, please visit *http://www2.epa.gov/dockets/commenting-epa-dockets.*

FOR FURTHER INFORMATION CONTACT: Rachel Rineheart, Environmental Engineer, Air Permits Section, Air Programs Branch (AR–18J), Environmental Protection Agency, Region 5, 77 West Jackson Boulevard, Chicago, Illinois 60604, (312) 886–7017, *rineheart.rachel@epa.gov.*

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

I. Review of State Submittal
II. Effects of Moving From Delegation to SIP Approved Program
III. What action is EPA taking?
IV. Incorporation by Reference
V. Statutory and Executive Order Reviews

I. Review of State Submittal

Section 110(a)(2)(C) of the Clean Air Act (CAA) requires that each SIP include a program to provide for the regulation of construction and modification of stationary sources, including a permit program as required by part C of subsection I of the CAA—Prevention of Significant Deterioration of Air Quality. Specific plan requirements for an approvable PSD SIP are provided in sections 160–169 of the CAA and the implementing regulations at 40 CFR 51.166. The Federal PSD program is codified at 40 CFR 52.21. Minnesota does not have an approved PSD SIP at this time and has issued PSD permits pursuant to a delegation of the Federal PSD rules at 40 CFR 52.21.

On October 4, 2016, MPCA submitted a request to revise the Minnesota SIP to include Minn. R. 7007.3000, which incorporates 40 CFR 52.21 by reference. MPCA provided further clarification with respect to program implementation in a letter dated June 1, 2017. MPCA will not implement 40 CFR 52.21(g), (s), (t) and (u). The provisions at 40 CFR 52.21(g), (s), (t) and (u) have no corresponding requirements in 40 CFR 51.166. 40 CFR 52.21(g) contains procedures by which states may request EPA redesignate areas to different air quality classifications. The authority to redesignate air quality classifications is an authority of the EPA Administrator. The June 1, 2017, letter clarifies that MPCA does not intend to implement this paragraph and that the authority to implement the paragraph remains with the EPA Administrator. 40 CFR 52.21(s) requires a Federal action associated with a PSD project to be coordinated with an associated Federal environmental impact statement. Once a PSD program has been approved into the SIP, PSD permits will be issued under state authority and will no longer be considered Federal actions. 40 CFR 52.21(t) describes the process to resolve disputes over a redesignation or a permit. This is an authority of the EPA Administrator. The June 1, 2017, letter clarifies that MPCA does not intend to implement this paragraph and that the authority to implement the paragraph remains with the EPA Administrator. 40 CFR 52.21(u) authorizes the Administrator to delegate the PSD program. The June 1, 2017, letter clarifies that MPCA does not intend to implement this paragraph and that the authority to implement the paragraph remains with the EPA Administrator. Finally, as described in the June 1, 2017, clarification letter, the requirements in Minn. R. 7007.0700(B) for the completeness review and Minn. R. 7007.0850, subp. 2 for public notice requirements, which have already been approved into the SIP, will supersede

the public participation requirements of 40 CFR 21.21(q).

Minn. R. 7007.3000 incorporates 40 CFR 52.21, as amended, by reference, and became effective on November 26, 2007, but was not submitted to EPA for review and approval into the SIP at that time. MPCA published its intent to submit Minn. R. 7007.3000 to EPA for incorporation into the Minnesota SIP as the PSD program in the Minnesota State Register on June 20, 2016. A 30-day comment period and opportunity for a public hearing was provided. The public participation requirements at Minn. R. 7007.0700(B) and 7007.0850, subp. 2, were approved into the Minnesota SIP on May 24, 1995. (See 60 FR 27411.)

Section 110(k)(3) of the CAA states that the Administrator ''shall approve'' a submittal from a State if it ''meets all applicable requirements'' of the CAA. EPA has reviewed Minn. R. 7007.3000, Minn. R. 7007.0700(b) and Minn. R. 7007.0850, subp. 2, and has determined that these rules meet the requirements of sections 160–169 of the CAA and the requirements of 40 CFR 51.166.

II. Effects of Moving From Delegation to SIP Approved Program

Upon approval of Minnesota's PSD SIP, EPA will continue to oversee implementation of this program by reviewing and commenting upon draft permits. EPA will continue to comment on any failure to follow the law, as well as EPA's statutory and regulatory interpretations and applicable guidance. If a final PSD permit still does not reflect consideration of the relevant factors, EPA will deem the permit to be not in conformance with the PSD requirements of the CAA and state's SIP, and will consider appropriate enforcement action under sections 113 and 167 of the CAA to address the permit deficiency. However, there are certain provisions that will no longer apply. These include opportunity to appeal a decision to issue a PSD permit to EPA's Environmental Appeals Board (EAB), consultation under section 7 of the Endangered Species Act (ESA), and consultation under section 106 of the National Historic Preservation Act (NHPA).

Permits issued pursuant to a delegation are Federal actions. As Federal actions, EPA is required to consult with the appropriate agencies under section 7 of the ESA and section 106 of the NHPA on any action that may affect a threatened or endangered species or historic property respectively. If EPA approves the Minnesota PSD program into the SIP, PSD permits will no longer be Federal actions; therefore, consultation under ESA and NHPA will not occur. Sections 9 and 10 of the ESA would still apply, and any project that could result in the taking of a listed species would require a permit under section 10 of the ESA. It would be the source's obligation to obtain the necessary permit from the appropriate agency, which in the case of species listed in Minnesota, would be the United States Fish and Wildlife Service.

III. What action is EPA taking?

EPA is proposing to approve the request made by MPCA on October 4, 2016, to revise the Minnesota air rules in the Minnesota SIP. EPA is proposing to approve Minn. R. 7007.3000 as meeting the requirements of section 110 and sections 160–169 of the CAA, and the programmatic requirements of 40 CFR part 51.166 for an approvable PSD program. The approval will not apply to sources located within Indian country as defined at 18 U.S.C. 1151.

IV. Incorporation by Reference

In this rule, EPA is proposing to include in a final EPA rule regulatory text that includes incorporation by reference. In accordance with requirements of 1 CFR 51.5, EPA is proposing to incorporate by reference Minn. R. 7007.3000 Prevention of Significant Deterioration of Air Quality, effective November 26, 2007. EPA has made, and will continue to make, these documents generally available through *www.regulations.gov,* and/or at the EPA Region 5 Office (please contact the person identified in the **FOR FURTHER INFORMATION CONTACT** section of this preamble for more information).

V. Statutory and Executive Order Reviews

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

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

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

List of Subjects in 40 CFR Part 52

Environmental protection, Air pollution control, Carbon monoxide, Incorporation by reference, Lead, Nitrogen dioxide, Ozone, Particulate matter, Sulfur oxides, Volatile organic compounds.

Dated: June 26, 2017.

Robert A. Kaplan,

Acting Regional Administrator, Region 5.

[FR Doc. 2017–14317 Filed 7–7–17; 8:45 am]

BILLING CODE 6560–50–P

FEDERAL COMMUNICATIONS COMMISSION

47 CFR Part 64

[WC Docket No. 17–141, CC Docket No. 96–128, WC Docket No. 16–132; FCC 17–79]

Modernization of Payphone Compensation Rules; Implementation of the Pay Telephone Reclassification and Compensation Provisions of the Telecommunications Act of 1996; 2016 Biennial Review of Telecommunications Regulations

AGENCY: Federal Communications Commission.

ACTION: Proposed rule.

SUMMARY: In this document, the Wireline Competition Bureau seeks comment on eliminating the Commission's payphone call tracking system annual audit requirement and associated reporting requirement. In light of the dramatic decline in payphone use and the high cost of compliance in proportion to payphone compensation at issue, the proposal will remove costly yet no longer necessary requirements. The Commission adopted the *NPRM* in conjunction with an Order waiving the 2017 and 2018 audit and associated reporting requirements while it considers the proposals in this *NPRM.*

DATES: Comments are due on or before August 9, 2017, and reply comments are due on or before September 8, 2017. Written comments on the Paperwork Reduction Act proposed information collection requirements must be submitted by the public, Office of Management and Budget (OMB), and other interested parties on or before September 8, 2017.

ADDRESSES: You may submit comments, identified by WC Docket No. 17–141, by any of the following methods:

- *Federal Communications Commission's Web site: http://apps.fcc.gov/ecfs/.* Follow the instructions for submitting comments.
- *Mail:* Parties who choose to file by paper must file an original and one copy of each filing. If more than one docket or rulemaking number appears in the caption of this proceeding, filers must submit two additional copies for each additional docket or rulemaking number. Filings can be sent by hand or messenger delivery, by commercial overnight courier, or by first-class or overnight U.S. Postal Service mail. All filings must be addressed to the Commission's Secretary, Office of the Secretary, Federal Communications Commission. All hand-delivered or messenger-delivered paper filings for the Commission's Secretary must be delivered to FCC Headquarters at 445 12th St. SW., Room TW–A325, Washington, DC 20554. The filing hours are 8:00 a.m. to 7:00 p.m. All hand deliveries must be held together with rubber bands or fasteners. Any envelopes and boxes must be disposed of before entering the building. Commercial overnight mail (other than U.S. Postal Service Express Mail and Priority Mail) must be sent to 9300 East Hampton Drive, Capitol Heights, MD 20743. U.S. Postal Service first-class, Express, and Priority mail must be addressed to 445 12th Street SW., Washington, DC 20554.
- *People with Disabilities:* To request materials in accessible formats for people with disabilities (braille, large print, electronic files, audio format), send an email to *fcc504@fcc.gov* or call the Consumer & Governmental Affairs Bureau at 202–418–0530 (voice), 202–418–0432 (tty).

For detailed instructions for submitting comments and additional information on the rulemaking process, see the **SUPPLEMENTARY INFORMATION** section of this document. In addition to filing comments with the Secretary, a copy of any comments on the Paperwork Reduction Act information collection requirements contained herein should be submitted to the Federal Communications Commission via email to *PRA@fcc.gov* and to Nicole Ongele, Federal Communications Commission, via email to *Nicole.Ongele@fcc.gov.*

FOR FURTHER INFORMATION CONTACT: Wireline Competition Bureau, Competition Policy Division, Michele Berlove, at (202) 418–1477, *michele.berlove@fcc.gov.* For additional information concerning the Paperwork Reduction Act information collection requirements contained in this document, send an email to *PRA@fcc.gov* or contact Nicole Ongele at (202) 418–2991.

SUPPLEMENTARY INFORMATION: This is a summary of the Commission's Notice of Proposed Rulemaking (*NPRM*) in WC Docket No. 17–141, adopted and released June 22, 2017. The full text of this document is available for public inspection during regular business hours in the FCC Reference Information Center, Portals II, 445 12th Street SW., Room CY–A257, Washington, DC 20554. It is available on the Commission's Web site at *https://www.fcc.gov/document/modernization-payphone-compensation-rules-nprm-and-order.*

Pursuant to sections 1.415 and 1.419 of the Commission's rules, 47 CFR 1.415, 1.419, interested parties may file comments and reply comments on or before the dates indicated on the first page of this document. Comments may be filed using the Commission's Electronic Comment Filing System (ECFS). *See Electronic Filing of Documents in Rulemaking Proceedings,* 63 FR 24121 (1998), *http://www.fcc.gov/Bureaus/OGC/Orders/1998/fcc98056.pdf.*

- *Electronic Filers:* Comments may be filed electronically using the Internet by accessing the ECFS: *https://www.fcc.gov/ecfs/.*
- *Paper Filers:* Parties who choose to file by paper must file an original and one copy of each filing. If more than one docket or rulemaking number appears in the caption of this proceeding, filers must submit two additional copies for each additional docket or rulemaking number. Filings can be sent by hand or messenger delivery, by commercial overnight courier, or by first-class or overnight U.S. Postal Service mail. All filings must be addressed to the Commission's Secretary, Office of the Secretary, Federal Communications Commission. All hand-delivered or messenger-delivered paper filings for the Commission's Secretary must be delivered to FCC Headquarters at 445 12th St. SW., Room TW–A325, Washington, DC 20554. The filing hours are 8:00 a.m. to 7:00 p.m. All hand deliveries must be held together with rubber bands or fasteners. Any envelopes and boxes must be disposed of before entering the building. Commercial overnight mail (other than U.S. Postal Service Express Mail and Priority Mail) must be sent to 9300 East Hampton Drive, Capitol Heights, MD 20743. U.S. Postal Service first-class, Express, and Priority mail must be addressed to 445 12th Street SW., Washington, DC 20554.
- *People with Disabilities:* To request materials in accessible formats for people with disabilities (braille, large print, electronic files, audio format), send an email to *fcc504@fcc.gov* or call the Consumer & Governmental Affairs Bureau at 202–418–0530 (voice), 202–418–0432 (tty).

Synopsis

I. Introduction

1. In this Notice of Proposed Rulemaking (*NPRM*), we propose eliminating the Commission's payphone call tracking system annual audit requirement and associated reporting requirement. In light of the dramatic decline in payphone use and the high cost of compliance in proportion to payphone compensation at issue, we anticipate that our proposal will remove

costly yet no longer necessary requirements.

II. Background

3. Section 276 of the Communications Act of 1934, as amended (the Act), which was adopted in the Telecommunications Act of 1996, directs the Commission to implement rules to ensure that payphone service providers (PSPs) are fairly compensated for all completed calls made from their payphones. Pursuant to Congress' directive, the Commission adopted rules governing payphone compensation in 1996. In doing so, the Commission noted that fair compensation to PSPs was not possible without an effective per-call tracking mechanism. It thus required that the carriers to whom coinless access code and subscriber toll-free calls are routed, known as ''Completing Carriers,'' ''be responsible for tracking each compensable call and remitting per-call compensation to the PSP.''

4. In 2003, the Commission revised its payphone compensation rules to require, among other things, that Completing Carriers annually must file an audit report prepared by an independent third-party auditor in order to verify ongoing compliance. Specifically, the auditor must ''(1) [v]erify that no material changes have occurred concerning the Completing Carrier's compliance with the criteria of the prior year's System Audit Report; or (2) [i]f a material change has occurred . . . verify that the material changes do not affect compliance with the audit criteria set forth in paragraph (c) of this section.'' Completing Carriers are required to make all documentation underlying the audit report, including working papers, available to PSPs for inspection upon request. Completing Carriers can avoid the need to comply with the audit and related requirements only by entering into alternative compensation arrangements with PSPs.

5. Sprint and Cincinnati Bell each recently filed petitions with the Commission seeking a waiver of the annual audit requirement. The two carriers also filed comments in response to the Commission's 2016 Biennial Review Public Notice urging the Commission to consider eliminating the annual payphone call tracking system audit requirement. In both sets of pleadings, the carriers point to the tremendous decline in payphone calling, the lack of a similar decline in the cost of the annual audit, and the companies' consistent compliance with the Commission's payphone compensation rules. USTelecom, ITTA, and Puerto Rico Telephone each filed in support of the Waiver Petitions and requested that the Commission broaden the relief to encompass additional carriers.

III. Discussion

6. After reviewing the record in the 2016 Biennial Review proceeding, the Waiver Petitions and supporting comments, and based on our own observations of the changing communications landscape, we find that the best course is to reevaluate the necessity of the annual payphone call tracking system audit requirement and associated reporting requirement on an industrywide basis. Below, we propose to eliminate or modify this requirement and seek comment on this proposal.

7. We propose to eliminate the annual audit requirement and associated reporting requirement embodied in section 64.1320(f) of the rules in its entirety, and we seek detailed comment on this proposal. Have circumstances changed such that the benefits of these rules in helping to ensure PSPs are fairly compensated no longer justify the costs of the rule?

8. First, we seek comment on the assertion that the precipitous decline in payphone usage supports modernizing our compensation compliance regime by eliminating the annual audit requirement. At the peak of payphone usage in 1999, there were over 2.1 million payphones in service across the United States. Since that time, however, the rapid growth of mobile service seems to have resulted in a dramatic decline in the number of payphones in service in this country. By 2013, more than 90 percent of payphones had been disconnected, with only 192,286 remaining. Almost half of those were disconnected over the following three years, so that there were only 99,832 payphones in service at the end of 2016. Is there any reason to expect this declining trend to change in the future? We seek comment, and supporting data, on this issue.

9. Second, we seek comment on the costs of compliance. Are Sprint and Cincinnati Bell correct that those costs have not declined over time and in fact may have increased? Is there other data or evidence establishing the costs of compliance, including evidence establishing whether those costs have increased or decreased over time? Is it the case that the costs of compliance have not declined at the same pace as the payphone business such that over time the compliance costs per payphone and per payphone call have increased?

10. Third, we seek comment on the amount of payphone compensation that Completing Carriers pay relative to the cost of compliance. Not surprisingly, in light of declining payphone usage, the amount of compensation paid to PSPs has likewise significantly declined over time. ITTA asserts that the amount of payphone compensation paid each year has declined even more across the industry than the 97 percent decline seen by Cincinnati Bell. According to Cincinnati Bell, the annual audit cost is currently five times the amount of payphone compensation it pays annually, while Sprint projects that the cost of its annual audit will be approximately 15 percent of payphone compensation paid in 2016. We encourage commenters to provide similarly specific information. How has compensation paid to PSPs relative to the costs of compliance changed since the rule was adopted? How should we evaluate whether the audit costs relative to payphone compensation are too high? Is comparison with total payphone compensation relevant, or should we compare the costs of compliance against some other value(s)? For instance, should the costs of compliance be compared against the likely benefits of avoiding incorrect compensation payments? We believe that the existing evidence about audit costs relative to payphone compensation suggests the costs of the rule now outweigh the benefits, and we seek comment on this analysis.

11. Fourth, we seek comment on whether section 64.1320(f) is still necessary to ensure compliance with the underlying payphone compensation requirements. What effect would elimination of this annual audit and associated reporting requirement have on Completing Carriers' compliance with our rules regarding compensation to PSPs, including, among other things, requirements to maintain a system for accurately tracking coinless access code or subscriber toll-free payphone calls to completion; to provide a quarterly sworn statement from the company's Chief Financial Officer; and, to provide quarterly reports to PSPs that contain information for identifying compensable and noncompensable calls? Importantly, relieving Completing Carriers of the audit requirement would not relieve them of their obligation to ensure that they are compensating PSPs for all compensable calls. Payphone compensation compliance issues occurred in years past, but we believe that those issues are no longer apparent. Indeed, no formal payphone compensation-related complaints have been brought to the Commission's attention since 2010, and the last informal dispute of which we are aware

occurred almost four years ago. Are there any specific, recent examples of failure to appropriately compensate PSPs for coinless access code and subscriber toll-free calls originating from their payphones? Is ITTA correct that ''most long-distance providers use a clearinghouse . . . to process quarterly payments to PSPs'' and that the clearinghouses used by PSPs ''have effective investigation and dispute resolution processes in place to address any disparities between Completing Carrier and PSP data that may arise,'' and if so does the prevalence of such clearinghouses support repeal of the audit requirement? Is the infrequency of complaints, disputes, and disparities related to the existence of the audit requirement? If not, should we expect the frequency of such problems to change if we eliminate the audit requirement, or would the remaining safeguards be sufficient? If eliminating the audit requirement would increase such problems (*e.g.,* failure to adequately compensate PSPs), we seek estimates of the likely annual costs the relevant parties would incur to resolve those increased problems or bounds around those costs.

12. Finally, we do not believe that the option under our rules to enter into an alternative compensation agreement with each PSP, which thus removes the need to conduct an annual audit, is an economically feasible alternative. We believe that Sprint, Cincinnati Bell, and USTelecom are correct that the transaction costs of negotiating, implementing, and managing such alternative compensation arrangements with numerous PSPs would outweigh the amount of compensation to be paid. Consequently, the availability of this option under our rules appears to provide no basis to justify retention of the audit requirement. We seek comment on this issue.

13. *Alternatives.* We propose simply eliminating the audit requirement and associated reporting requirement. In the alternative, should we instead eliminate the requirement but adopt some less burdensome requirement, such as a self-certification, as Sprint and Cincinnati Bell each offer to provide in lieu of the annual audit? If so, what form would such a self-certification take? Would it be sufficient for a Completing Carrier to self-certify that there have been no material changes to its payphone call tracking system, or would it also need to self-certify that there have been no changes to its network that affect the functioning or accuracy of the tracking system? Could such an annual self-certification replace the section 64.1310(a)(3) quarterly sworn statement from the CFO? If we retain the requirement of a quarterly sworn statement, we seek comment on whether we should revise the requirement to allow certification by a company official other than the company's CFO, and, if so, which officials.

14. *Additional Reforms.* Finally, we seek comment on whether the changing communications landscape since 2003 warrants additional changes to our rules governing the payphone compensation process. For example, does section 64.1320(a)'s initial payphone call tracking system audit requirement, and the attendant requirements set forth in sections 64.1320(b)–(e) and (g), remain relevant today? Do new carriers still occasionally become Completing Carriers such that we should retain this requirement? How often do PSPs or clearinghouses request underlying documents pursuant to section 64.1320(g)? Are all of the remaining requirements imposed by these rules still warranted to protect PSPs' right to full compensation for coinless access code and subscriber toll-free calls originating from their payphones? Can some of these requirements be streamlined or eliminated while still affording full protection to PSPs, and if so, how?

15. In proposing to modernize specific part 64 subpart M requirements herein, we note that other subsections regarding the provision of payphone service were intended to apply solely on an interim basis and their terms have long since expired. For example, sections 64.1301(a)–(c) set forth interim per-payphone compensation provisions that applied only from November 7, 1996 through October 6, 1997. Similarly, section 64.1301(d) set forth intermediate per-payphone compensation provisions that applied only from October 7, 1997 through April 20, 1999. We believe sections 64.1301(a)–(d), by their terms, no longer apply to any entity and can be eliminated. We further seek comment on whether additional provisions of part 64 subpart M that we have not specifically identified may similarly have expired and no longer apply to any entity, and if so, can be eliminated.

IV. Initial Regulatory Flexibility Analysis

16. As required by the Regulatory Flexibility Act (RFA), the Commission has prepared this present Initial Regulatory Flexibility Analysis (IRFA) of the possible significant economic impact on small entities by the policies and rules proposed in this Notice of Proposed Rule Making (*NPRM*). Written public comments are requested on this IRFA. Comments must be identified as responses to the IRFA and must be filed by the deadlines for comments provided on the first page of this *NPRM.* The Commission will send a copy of this *NPRM,* including this IRFA, to the Chief Counsel for Advocacy of the Small Business Administration (SBA). In addition, the *NPRM* and IRFA (or summaries thereof) will be published in the **Federal Register**.

A. Need for, and Objectives of, the Proposed Rules

17. The *NPRM* proposes to eliminate a burden on carriers responsible for completing coinless access and subscriber toll-free calls originating from payphones (Completing Carriers). The changing communications landscape has altered the balance of cost to Completing Carriers versus benefit to payphone service providers. Thus, the Commission seeks comment on a proposal to eliminate the annual payphone call tracking system audit and associated reporting requirement embodied in section 64.1320(f) of the Commission's rules, whether there are other steps the Commission might take to ease the burden on Completing Carriers, and if certain subsections of part 64 subpart M have expired and can be eliminated.

B. Legal Basis

18. The proposed action is authorized under sections 1, 2, 4(i), 11, and 276 of the Communications Act of 1934, as amended, 47 U.S.C. 151, 152, 154(i), 161, 276.

C. Description and Estimate of the Number of Small Entities to Which the Proposed Rules Will Apply

19. The RFA directs agencies to provide a description and, where feasible, an estimate of the number of small entities that may be affected by the proposed rules and by the rule revisions on which the *NPRM* seeks comment, if adopted. The RFA generally defines the term ''small entity'' as having the same meaning as the terms ''small business,'' ''small organization,'' and ''small governmental jurisdiction.'' In addition, the term ''small business'' has the same meaning as the term ''small-business concern'' under the Small Business Act. A ''small-business concern'' is one which: (1) Is independently owned and operated; (2) is not dominant in its field of operation; and (3) satisfies any additional criteria established by the SBA.

20. The proposal on which we seek comment in the *NPRM* will affect obligations on facilities-based carriers responsible for completing coinless access code and subscriber toll-free calls

originating from payphones, including incumbent LECs, competitive LECs, and interexchange carriers.

1. Total Small Entities

21. *Small Businesses, Small Organizations, Small Governmental Jurisdictions.* Our actions, over time, may affect small entities that are not easily categorized at present. We therefore describe here, at the outset, three comprehensive small entity size standards that could be directly affected herein. First, while there are industry specific size standards for small businesses that are used in the regulatory flexibility analysis, according to data from the SBA's Office of Advocacy, in general a small business is an independent business having fewer than 500 employees. These types of small businesses represent 99.9% of all businesses in the United States which translates to 28.8 million businesses. Next, the type of small entity described as a ''small organization'' is generally ''any not-for-profit enterprise which is independently owned and operated and is not dominant in its field.'' Nationwide, as of 2007, there were approximately 1,621,215 small organizations. Finally, the small entity described as a ''small governmental jurisdiction'' is defined generally as ''governments of cities, towns, townships, villages, school districts, or special districts, with a population of less than fifty thousand.'' U.S. Census Bureau data published in 2012 indicate that there were 89,476 local governmental jurisdictions in the United States. We estimate that, of this total, as many as 88,761 entities may qualify as ''small governmental jurisdictions.'' Thus, we estimate that most governmental jurisdictions are small.

2. Wireline Providers

22. *Wired Telecommunications Carriers.* The U.S. Census Bureau defines this industry as ''establishments primarily engaged in operating and/or providing access to transmission facilities and infrastructure that they own and/or lease for the transmission of voice, data, text, sound, and video using wired communications networks. Transmission facilities may be based on a single technology or a combination of technologies. Establishments in this industry use the wired telecommunications network facilities that they operate to provide a variety of services, such as wired telephony services, including VoIP services, wired (cable) audio and video programming distribution, and wired broadband internet services. By exception, establishments providing satellite television distribution services using facilities and infrastructure that they operate are included in this industry.'' The SBA has developed a small business size standard for Wired Telecommunications Carriers, which consists of all such companies having 1,500 or fewer employees. Census data for 2012 show that there were 3,117 firms that operated that year. Of this total, 3,083 operated with fewer than 1,000 employees. Thus, under this size standard, the majority of firms in this industry can be considered small.

23. *Local Exchange Carriers (LECs).* Neither the Commission nor the SBA has developed a size standard for small businesses specifically applicable to local exchange services. The closest applicable NAICS Code category is Wired Telecommunications Carriers as defined above. Under the applicable SBA size standard, such a business is small if it has 1,500 or fewer employees. According to Commission data, census data for 2012 shows that there were 3,117 firms that operated that year. Of this total, 3,083 operated with fewer than 1,000 employees. The Commission therefore estimates that most providers of local exchange carrier service are small entities that may be affected by the rules adopted.

24. *Incumbent LECs.* Neither the Commission nor the SBA has developed a small business size standard specifically for incumbent local exchange services. The closest applicable NAICS Code category is Wired Telecommunications Carriers as defined above. Under that size standard, such a business is small if it has 1,500 or fewer employees. According to Commission data, 3,117 firms operated in that year. Of this total, 3,083 operated with fewer than 1,000 employees. Consequently, the Commission estimates that most providers of incumbent local exchange service are small businesses that may be affected by the rules and policies adopted. Three hundred and seven (307) Incumbent Local Exchange Carriers reported that they were incumbent local exchange service providers. Of this total, an estimated 1,006 have 1,500 or fewer employees.

25. *Competitive Local Exchange Carriers (Competitive LECs), Competitive Access Providers (CAPs), Shared-Tenant Service Providers, and Other Local Service Providers.* Neither the Commission nor the SBA has developed a small business size standard specifically for these service providers. The appropriate NAICS Code category is Wired Telecommunications Carriers, as defined above. Under that size standard, such a business is small if it has 1,500 or fewer employees. U.S. Census data for 2012 indicate that 3,117 firms operated during that year. Of that number, 3,083 operated with fewer than 1,000 employees. Based on this data, the Commission concludes that the majority of Competitive LECS, CAPs, Shared-Tenant Service Providers, and Other Local Service Providers, are small entities. According to Commission data, 1,442 carriers reported that they were engaged in the provision of either competitive local exchange services or competitive access provider services. Of these 1,442 carriers, an estimated 1,256 have 1,500 or fewer employees. In addition, 17 carriers have reported that they are Shared-Tenant Service Providers, and all 17 are estimated to have 1,500 or fewer employees. Also, 72 carriers have reported that they are Other Local Service Providers. Of this total, 70 have 1,500 or fewer employees. Consequently, based on internally researched FCC data, the Commission estimates that most providers of competitive local exchange service, competitive access providers, Shared-Tenant Service Providers, and Other Local Service Providers are small entities.

26. We have included small incumbent LECs in this present RFA analysis. As noted above, a ''small business'' under the RFA is one that, *inter alia,* meets the pertinent small business size standard (*e.g.,* a telephone communications business having 1,500 or fewer employees), and ''is not dominant in its field of operation.'' The SBA's Office of Advocacy contends that, for RFA purposes, small incumbent LECs are not dominant in their field of operation because any such dominance is not ''national'' in scope. We have therefore included small incumbent LECs in this RFA analysis, although we emphasize that this RFA action has no effect on Commission analyses and determinations in other, non-RFA contexts.

27. *Interexchange Carriers (IXCs).* Neither the Commission nor the SBA has developed a definition for Interexchange Carriers. The closest NAICS Code category is Wired Telecommunications Carriers as defined above. The applicable size standard under SBA rules is that such a business is small if it has 1,500 or fewer employees. U.S. Census data for 2012 indicates that 3,117 firms operated during that year. Of that number, 3,083 operated with fewer than 1,000 employees. According to internally developed Commission data, 359 companies reported that their primary telecommunications service activity was

the provision of interexchange services. Of this total, an estimated 317 have 1,500 or fewer employees. Consequently, the Commission estimates that the majority of IXCs are small entities that may be affected by our proposed rules.

28. *Operator Service Providers (OSPs).* Neither the Commission nor the SBA has developed a small business size standard specifically for operator service providers. The appropriate size standard under SBA rules is for the category Wired Telecommunications Carriers. Under that size standard, such a business is small if it has 1,500 or fewer employees. According to Commission data, 33 carriers have reported that they are engaged in the provision of operator services. Of these, an estimated 31 have 1,500 or fewer employees and two have more than 1,500 employees. Consequently, the Commission estimates that the majority of OSPs are small entities that may be affected by our proposed rules.

29. *Other Toll Carriers.* Neither the Commission nor the SBA has developed a definition for small businesses specifically applicable to Other Toll Carriers. This category includes toll carriers that do not fall within the categories of interexchange carriers, operator service providers, prepaid calling card providers, satellite service carriers, or toll resellers. The closest applicable NAICS Code category is for Wired Telecommunications Carriers as defined above. Under the applicable SBA size standard, such a business is small if it has 1,500 or fewer employees. Census data for 2012 shows that there were 3,117 firms that operated that year. Of this total, 3,083 operated with fewer than 1,000 employees. Thus, under this category and the associated small business size standard, the majority of Other Toll Carriers can be considered small. According to internally developed Commission data, 284 companies reported that their primary telecommunications service activity was the provision of other toll carriage. Of these, an estimated 279 have 1,500 or fewer employees. Consequently, the Commission estimates that most Other Toll Carriers are small entities that may be affected by rules adopted pursuant to the *NPRM.*

30. *Payphone Service Providers.* Neither the Commission nor the SBA has developed a definition of small entities specifically applicable to payphone service providers (PSPs). The closest applicable definition under the SBA rules is for Wired Telecommunications Carriers. Under that SBA definition, such a business is small if it has 1,500 or fewer employees. According to the Commission's Form 499 Filer Database, 1100 PSPs reported that they were engaged in the provision of payphone services. The Commission does not have data regarding how many of these 1100 companies have 1,500 or fewer employees. The Commission does not have data specifying the number of these payphone service providers that are not independently owned and operated, and thus is unable at this time to estimate with greater precision the number of PSPs that would qualify as small business concerns under the SBA's definition. Consequently, the Commission estimates that there are 1100 or fewer PSPs that may be affected by the rules.

31. *Prepaid Calling Card Providers.* The SBA has developed a definition for small businesses within the category of Telecommunications Resellers. Under that SBA definition, such a business is small if it has 1,500 or fewer employees. According to the Commission's Form 499 Filer Database, 500 companies reported that they were engaged in the provision of prepaid calling cards. The Commission does not have data regarding how many of these 500 companies have 1,500 or fewer employees. Consequently, the Commission estimates that there are 500 or fewer prepaid calling card providers that may be affected by the rules.

3. Wireless Providers—Fixed and Mobile

32. For wireless services subject to auctions, we note that, as a general matter, the number of winning bidders that claim to qualify as small businesses at the close of an auction does not necessarily represent the number of small businesses currently in service. Also, the Commission does not generally track subsequent business size unless, in the context of assignments and transfers or reportable eligibility events, unjust enrichment issues are implicated.

33. *Wireless Telecommunications Carriers (except Satellite).* This industry comprises establishments engaged in operating and maintaining switching and transmission facilities to provide communications via the airwaves. Establishments in this industry have spectrum licenses and provide services using that spectrum, such as cellular services, paging services, wireless internet access, and wireless video services. The appropriate size standard under SBA rules is that such a business is small if it has 1,500 or fewer employees. For this industry, U.S. Census data for 2012 show that there were 967 firms that operated for the entire year. Of this total, 955 firms had employment of 999 or fewer employees and 12 had employment of 1000 employees or more. Thus under this category and the associated size standard, the Commission estimates that the majority of wireless telecommunications carriers (except satellite) are small entities.

34. The Commission's own data—available in its Universal Licensing System—indicate that, as of October 25, 2016, there are 280 Cellular licensees that will be affected by our actions today. The Commission does not know how many of these licensees are small, as the Commission does not collect that information for these types of entities. Similarly, according to internally developed Commission data, 413 carriers reported that they were engaged in the provision of wireless telephony, including cellular service, Personal Communications Service, and Specialized Mobile Radio Telephony services. Of this total, an estimated 261 have 1,500 or fewer employees, and 152 have more than 1,500 employees. Thus, using available data, we estimate that the majority of wireless firms can be considered small.

35. *Wireless Communications Services.* This service can be used for fixed, mobile, radiolocation, and digital audio broadcasting satellite uses. The Commission defined ''small business'' for the wireless communications services (WCS) auction as an entity with average gross revenues of $40 million for each of the three preceding years, and a ''very small business'' as an entity with average gross revenues of $15 million for each of the three preceding years. The SBA has approved these definitions.

36. *Wireless Telephony.* Wireless telephony includes cellular, personal communications services, and specialized mobile radio telephony carriers. As noted, the SBA has developed a small business size standard for Wireless Telecommunications Carriers (except Satellite). Under the SBA small business size standard, a business is small if it has 1,500 or fewer employees. According to Commission data, 413 carriers reported that they were engaged in wireless telephony. Of these, an estimated 261 have 1,500 or fewer employees and 152 have more than 1,500 employees. Therefore, a little less than one third of these entities can be considered small.

4. All Other Telecommunications

37. ''All Other Telecommunications'' is defined as follows: This U.S. industry is comprised of establishments that are primarily engaged in providing

specialized telecommunications services, such as satellite tracking, communications telemetry, and radar station operation. This industry also includes establishments primarily engaged in providing satellite terminal stations and associated facilities connected with one or more terrestrial systems and capable of transmitting telecommunications to, and receiving telecommunications from, satellite systems. Establishments providing Internet services or voice over Internet protocol (VoIP) services via client-supplied telecommunications connections are also included in this industry. The SBA has developed a small business size standard for ''All Other Telecommunications,'' which consists of all such firms with gross annual receipts of $32.5 million or less. For this category, census data for 2012 show that there were 1,442 firms that operated for the entire year. Of these firms, a total of 1,400 had gross annual receipts of less than $25 million. Consequently, we estimate that the majority of All Other Telecommunications firms are small entities that might be affected by our action.

D. Description of Projected Reporting, Recordkeeping, and Other Compliance Requirements

38. The *NPRM* proposes and seeks comment on a rule change that will affect reporting, recordkeeping, and other compliance requirements. We expect the rule revision proposed in the *NPRM* to reduce reporting, recordkeeping, and other compliance requirements. The rule revision should have a beneficial reporting, recordkeeping, or compliance impact on small entities because all carriers will be subject to fewer such burdens. This change is described below.

39. The *NPRM* proposes to eliminate section 64.1320(f) of the Commission's rules and, thus, the annual payphone call tracking system audit and associated reporting requirement. Should the Commission adopt this proposal, such action would result in reduced reporting, recordkeeping, or other compliance requirements for Completing Carriers, as that term is defined in section 64.1300(a) of the Commission's rules.

E. Steps Taken To Minimize Significant Economic Impact on Small Entities, and Significant Alternatives Considered

40. The RFA requires an agency to describe any significant alternatives that it has considered in reaching its proposed approach, which may include the following four alternatives (among others): (1) The establishment of differing compliance or reporting requirements or timetables that take into account the resources available to small entities; (2) the clarification, consolidation, or simplification of compliance or reporting requirements under the rule for small entities; (3) the use of performance, rather than design, standards; and (4) an exemption from coverage of the rule, or any part thereof, for small entities.

41. The Commission proposes to eliminate the annual payphone call tracking system audit requirement for Completing Carriers. The Commission believes that its proposal upon which the *NPRM* seeks comment will benefit all carriers, regardless of size. The proposal would further the goal of reducing unnecessary regulatory burdens on affected carriers. We anticipate that a more modernized regulatory scheme with the associated reduction in compliance costs will allow carriers to invest their resources elsewhere to the benefit of consumers.

F. Federal Rules That May Duplicate, Overlap, or Conflict With the Proposed Rule

42. None.

V. Procedural Matters

A. Ex Parte Rules

43. This proceeding shall be treated as a ''permit-but-disclose'' proceeding in accordance with the Commission's *ex parte* rules. Persons making *ex parte* presentations must file a copy of any written presentation or a memorandum summarizing any oral presentation within two business days after the presentation (unless a different deadline applicable to the Sunshine period applies). Persons making oral *ex parte* presentations are reminded that memoranda summarizing the presentation must (1) list all persons attending or otherwise participating in the meeting at which the *ex parte* presentation was made, and (2) summarize all data presented and arguments made during the presentation. If the presentation consisted in whole or in part of the presentation of data or arguments already reflected in the presenter's written comments, memoranda or other filings in the proceeding, the presenter may provide citations to such data or arguments in his or her prior comments, memoranda, or other filings (specifying the relevant page and/or paragraph numbers where such data or arguments can be found) in lieu of summarizing them in the memorandum. Documents shown or given to Commission staff during *ex parte* meetings are deemed to be written *ex parte* presentations and must be filed consistent with Rule 1.1206(b). In proceedings governed by Rule 1.49(f) or for which the Commission has made available a method of electronic filing, written ex parte presentations and memoranda summarizing oral *ex parte* presentations, and all attachments thereto, must be filed through the electronic comment filing system available for that proceeding, and must be filed in their native format (*e.g.,* .doc, .xml, .ppt, searchable .pdf). Participants in this proceeding should familiarize themselves with the Commission's *ex parte* rules.

B. Initial Regulatory Flexibility Analysis

44. Pursuant to the Regulatory Flexibility Act (RFA), the Commission has prepared an Initial Regulatory Flexibility Analysis (IRFA) of the possible significant economic impact on small entities of the policies and actions considered in this *NPRM.* The text of the IRFA is set forth above. Written public comments are requested on this IRFA. Comments must be identified as responses to the IRFA and must be filed by the deadlines for comments on the *NPRM.* The Commission's Consumer and Governmental Affairs Bureau, Reference Information Center, will send a copy of the *NPRM,* including the IRFA, to the Chief Counsel for Advocacy of the Small Business Administration.

C. Paperwork Reduction Act

45. This document contains proposed new and modified information collection requirements. The Commission, as part of its continuing effort to reduce paperwork burdens, invites the general public and the Office of Management and Budget to comment on the information collection requirements contained in this document, as required by the Paperwork Reduction Act of 1995, Public Law 104–13. In addition, pursuant to the Small Business Paperwork Relief Act of 2002, Public Law 107–198, *see* 44 U.S.C. 3506(c)(4), we seek specific comment on how we might further reduce the information collection burden for small business concerns with fewer than 25 employees.

D. Filing of Comments and Reply Comments

46. Pursuant to sections 1.415 and 1.419 of the Commission's rules, 47 CFR 1.415, 1.419, interested parties may file comments and reply comments on or before the dates indicated on the first page of this document. Comments may be filed using the Commission's

Electronic Comment Filing System (ECFS). *See Electronic Filing of Documents in Rulemaking Proceedings,* 63 FR 24121 (1998).

- *Electronic Filers:* Comments may be filed electronically using the Internet by accessing the ECFS: *https://www.fcc.gov/ecfs/.*
- *Paper Filers:* Parties who choose to file by paper must file an original and one copy of each filing. If more than one docket or rulemaking number appears in the caption of this proceeding, filers must submit two additional copies for each additional docket or rulemaking number.

Filings can be sent by hand or messenger delivery, by commercial overnight courier, or by first-class or overnight U.S. Postal Service mail. All filings must be addressed to the Commission's Secretary, Office of the Secretary, Federal Communications Commission.

- All hand-delivered or messenger-delivered paper filings for the Commission's Secretary must be delivered to FCC Headquarters at 445 12th St. SW., Room TW–A325, Washington, DC 20554. The filing hours are 8:00 a.m. to 7:00 p.m. All hand deliveries must be held together with rubber bands or fasteners. Any envelopes and boxes must be disposed of *before* entering the building.
- Commercial overnight mail (other than U.S. Postal Service Express Mail and Priority Mail) must be sent to 9300 East Hampton Drive, Capitol Heights, MD 20743.
- U.S. Postal Service first-class, Express, and Priority mail must be addressed to 445 12th Street SW., Washington, DC 20554.
- *People with Disabilities:* To request materials in accessible formats for people with disabilities (braille, large print, electronic files, audio format), send an email to *fcc504@fcc.gov* or call the Consumer & Governmental Affairs Bureau at 202–418–0530 (voice), 202–418–0432 (tty).

E. Contact Person

47. For further information about this proceeding, please contact Michele Berlove, FCC Wireline Competition Bureau, Competition Policy Division, Room 5–C313, 445 12th Street SW., Washington, DC 20554 (202) 418–1477, *Michele.Berlove@fcc.gov.*

VI. Ordering Clauses

48. Accordingly, *it is ordered* that, pursuant to the authority contained in sections 1–4, 11, and 276 of the Communications Act of 1934, as amended, 47 U.S.C. 151–154, 161, 276, this Notice of Proposed Rulemaking *is adopted.*

49. *It is further ordered* that the Commission's Consumer & Governmental Affairs Bureau, Reference Information Center, *shall send* a copy of this Notice of Proposed Rulemaking, including the Initial Regulatory Flexibility Analysis, to the Chief Counsel for Advocacy of the Small Business Administration.

List of Subjects in 47 CFR Part 64

Common Carriers, Communications, Telecommunications, Telephone.

Federal Communications Commission.

Marlene H. Dortch,

Secretary.

Proposed Rules

For the reasons set forth in the preamble, the Federal Communications Commission proposes to amend CFR part 64 as follows:

PART 64—MISCELLANEOUS RULES RELATING TO COMMON CARRIERS

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

Authority: 47 U.S.C. 154, 225, 254(k); 403(b)(2)(B), (c), 715, Pub.L. 104–104, 110 Stat. 56. Interpret or apply 47 U.S.C. 201, 218, 222, 225, 226, 227, 228, 254(k), 616, 620, and the Middle Class Tax Relief and Job Creation Act of 2012, Pub.L. 112–96, unless otherwise noted.

§ 64.1320 [Amended]

■ 2. In § 64.1320, remove paragraph (f).

[FR Doc. 2017–14256 Filed 7–7–17; 8:45 am]

BILLING CODE 6712–01–P

Notices

Federal Register
Vol. 82, No. 130
Monday, July 10, 2017

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 COMMERCE

Economic Development Administration

Notice of Petitions by Firms for Determination of Eligibility To Apply for Trade Adjustment Assistance

AGENCY: Economic Development Administration, Department of Commerce.

ACTION: Notice and opportunity for public comment.

Pursuant to Section 251 of the Trade Act 1974, as amended (19 U.S.C. 2341 *et seq.*), the Economic Development Administration (EDA) has received petitions for certification of eligibility to apply for Trade Adjustment Assistance from the firms listed below. Accordingly, EDA has initiated investigations to determine whether increased imports into the United States of articles like or directly competitive with those produced by each of these firms contributed importantly to the total or partial separation of the firm's workers, or threat thereof, and to a decrease in sales or production of each petitioning firm.

LIST OF PETITIONS RECEIVED BY EDA FOR CERTIFICATION ELIGIBILITY TO APPLY FOR TRADE ADJUSTMENT ASSISTANCE

[5/26/2017 through 7/3/2017]

Firm name	Firm address	Date accepted for investigation	Product(s)
Flinchbaugh Engineering, Inc	4387 Run Way, York, PA 17406	6/19/2017	The firm manufactures various engine and transmission components for heavy equipment.
Nickson Industries, Inc	336 Woodford Avenue, Plainville, CT 06062.	6/20/2017	The firm manufactures exhaust hardware and accessories (clamps, tubing products, flexible pipes, hangers, gaskets, saddles, u-bolts, fasteners, washers, and hanger/gasket components).
Machine Tech, Inc	203 Lacarpe Circle, Houma, LA 70360.	6/27/2017	The firm manufactures custom CNC parts for industrial use including flanges, winches, jacks, hoists, sprockets, and pully tackles.
Mid Star Lab, Inc	1701 Commerce Road, Tonganoxie, KS 66086.	6/28/2017	The firm manufactures customized orthopedic shoes.
Acrylic Designs, Inc	36 Precision Drive, North Springfield, VT 05150.	6/29/2017	The firm manufactures counter boxes and floor display cases.

Any party having a substantial interest in these proceedings may request a public hearing on the matter. A written request for a hearing must be submitted to the Trade Adjustment Assistance for Firms Division, Room 71030, Economic Development Administration, U.S. Department of Commerce, Washington, DC 20230, no later than ten (10) calendar days following publication of this notice.

Please follow the requirements set forth in EDA's regulations at 13 CFR 315.9 for procedures to request a public hearing. The Catalog of Federal Domestic Assistance official number and title for the program under which these petitions are submitted is 11.313, Trade Adjustment Assistance for Firms.

Miriam Kearse,

Lead Program Analyst.

[FR Doc. 2017–14388 Filed 7–7–17; 8:45 am]

BILLING CODE 3510–WH–P

DEPARTMENT OF COMMERCE

International Trade Administration

[A–580–870]

Certain Oil Country Tubular Goods From the Republic of Korea: Amended Final Results of Antidumping Duty Administrative Review; 2014–2015

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (the Department) is amending its final results of the administrative review of the antidumping duty order on certain oil country tubular goods (OCTG) from

the Republic of Korea (Korea). The period of review (POR) is July 18, 2014 through August 31, 2015. The amended final weighted-average dumping margins are listed below in the section entitled, ''Amended Final Results.''

DATES: Effective July 10, 2017.

FOR FURTHER INFORMATION CONTACT: Deborah Scott or Victoria Cho, AD/CVD Operations, Office VI, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue NW., Washington, DC 20230; telephone: (202) 482–2657 or (202) 482–5075, respectively.

SUPPLEMENTARY INFORMATION:

Background

On April 17, 2017, the Department published the *Final Results* of the 2014–2015 administrative review in the **Federal Register**.[1] On April 18, 2017, petitioner Maverick Tube Corporation (Maverick) and respondent NEXTEEL Co., Ltd. (NEXTEEL) timely filed ministerial error allegations concerning the *Final Results* and requested, pursuant to 19 CFR 351.224, that the Department correct the alleged ministerial errors. On April 24, 2017, both Maverick and NEXTEEL submitted rebuttal comments.

Scope of the Order

The merchandise covered by the order is certain OCTG, which are hollow steel products of circular cross-section, including oil well casing and tubing, of iron (other than cast iron) or steel (both carbon and alloy), whether seamless or welded, regardless of end finish (*e.g.,* whether or not plain end, threaded, or threaded and coupled) whether or not conforming to American Petroleum Institute (API) or non-API specifications, whether finished (including limited service OCTG products) or unfinished (including green tubes and limited service OCTG products), whether or not thread protectors are attached. The scope of the order also covers OCTG coupling stock.[2]

Amended Final Results

Section 751(h) of the Tariff Act of 1930, as amended (the Act), defines ''ministerial errors'' as including ''errors in addition, subtraction, or other arithmetic function, clerical errors resulting from inaccurate copying, duplication, or the like, and any other type of unintentional error which the administering authority considers ministerial.'' [3] After analyzing parties' comments, we have determined, in accordance with section 751(h) of the Act and 19 CFR 351.224(f), that we made certain ministerial errors in the *Final Results* with respect to our treatment of certain sales expenses for NEXTEEL.[4] For a detailed discussion of these ministerial errors, as well as the Department's analysis of these errors, *see* the Ministerial Error Memorandum.

In accordance with section 751(h) of the Act and 19 CFR 351.224(e), we are amending the *Final Results* of this administrative review of OCTG from Korea. The rate for the companies not selected for individual examination is equal to the simple average [5] of the weighted-average dumping margin calculated for NEXTEEL in these amended final results and the weigthed-average dumping margin calculated for respondent SeAH Steel Corporation (SeAH) (*i.e.,* 2.76 percent) in the *Final Results*.[6] The dumping margins calculated for these amended final results are as follows:

Exporter or producer	Weighted-average dumping margin (percent)
NEXTEEL Co., Ltd	29.76
Non-examined companies [7] ..	16.26

Disclosure

The Department intends to disclose the calculations performed for these amended final results of review within five days of the date of publication of this notice in the **Federal Register**, in accordance with 19 CFR 351.224(b).

Assessment Rates

Pursuant to section 751(a)(2)(C) of the Act and 19 CFR 351.212(b), the Department shall determine, and CBP shall assess, antidumping duties on all appropriate entries of subject merchandise covered by this review. The Department intends to issue assessment instructions to CBP 15 days after the date of publication of these amended final results in the **Federal Register**.

Where the respondent reported reliable entered values, we calculated importer- (or customer-) specific *ad valorem* rates by aggregating the dumping margins calculated for all U.S. sales to each importer (or customer) and dividing this amount by the total entered value of the sales to each importer (or customer).[8] Where the Department calculated a weighted-average dumping margin by dividing the total amount of dumping for reviewed sales to that party by the total sales quantity associated with those transactions, the Department will direct CBP to assess importer- (or customer-) specific assessment rates based on the resulting per-unit rates.[9] Where an importer- (or customer-) specific *ad valorem* or per-unit rate is greater than *de minimis* (*i.e.,* 0.50 percent), the Department will instruct CBP to collect the appropriate duties at the time of liquidation.[10] Where an importer- (or customer-) specific *ad valorem* or per-unit rate is zero or *de minimis,* the Department will instruct CBP to liquidate appropriate entries without regard to antidumping duties.[11]

For the companies which were not selected for individual examination, we will assign an assessment rate based on the methodology described in the section ''Amended Final Results,'' above.

Consistent with the Department's assessment practice, for entries of subject merchandise during the POR produced by SeAH, NEXTEEL, or the non-examined companies for which the producer did not know that its merchandise was destined for the United States, we will instruct CBP to liquidate unreviewed entries at the all-others rate if there is no rate for the intermediate company(ies) involved in the transaction.[12]

Cash Deposit Requirements

The following cash deposit requirements will be effective retroactively for all shipments of subject merchandise entered, or withdrawn

[1] *See Certain Oil Country Tubular Goods from the Republic of Korea: Final Results of Antidumping Duty Administrative Review; 2014–2015,* 82 FR 18105 (April 17, 2017) (*Final Results*), and accompanying Memorandum, ''Issues and Decision Memorandum for the Final Results of the 2014–2015 Administrative Review of the Antidumping Duty Order on Certain Oil Country Tubular Goods from the Republic of Korea,'' dated April 10, 2017 (Issues and Decision Memorandum).

[2] A full written description of the scope of the order is contained in the Issues and Decision Memorandum. The Department is not making any changes to the scope of the order for these amended final results.

[3] *See also* 19 CFR 351.224(f).

[4] *See* Ministerial Error Memorandum at Comment 2.

[5] We calculated the rate for the companies not selected for individual examination using a simple average of the dumping margins calculated for the mandatory respondents because complete publicly ranged sales data were not available. *See Final Results,* 82 FR at 18106.

[6] *Id.*

[7] *See* Appendix I for a full list of these companies.

[8] *See* 19 CFR 351.212(b)(1).

[9] *Id.*

[10] *Id.*

[11] *See* 19 CFR 351.106(c)(2).

[12] For a full discussion of this practice, *see Antidumping and Countervailing Duty Proceedings: Assessment of Antidumping Duties,* 68 FR 23954 (May 6, 2003).

from warehouse, for consumption on or after the April 17, 2017, the date of publication of the *Final Results* of this administrative review, as provided for by section 751(a)(2)(C) of the Act: (1) The cash deposit rates for the companies listed in these amended final results will be equal to the weighted-average dumping margins established in the section ''Amended Final Results,'' above; (2) for merchandise exported by producers or exporters not covered in this review but covered in a prior segment of this proceeding, the cash deposit rate will continue to be the company-specific rate published for the most recently completed segment in which the company was reviewed; (3) if the exporter is not a firm covered in this review or the original less-than-fair-value (LTFV) investigation, but the producer is, the cash deposit rate will be the rate established for the most recently completed segment of this proceeding for the producer of the subject merchandise; and (4) the cash deposit rate for all other producers or exporters will continue to be 5.24 percent,[13] the all-others rate established in the LTFV investigation. These cash deposit requirements, when imposed, shall remain in effect until further notice.

Notification to Importers

This notice serves as a final reminder to importers of their responsibility under 19 CFR 351.402(f)(2) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this 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.

Notification to Interested Parties Regarding Administrative Protective Order

This notice also 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)(3), which continues to govern business proprietary information in this segment of the proceeding. Timely written notification of the return or destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and the terms of an APO is a sanctionable violation.

These amended final results and notice are issued and published in accordance with sections 751(h) and 777(i) of the Act and 19 CFR 351.224(e).

Dated: July 3, 2017.

Gary Taverman,

Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, performing the non-exclusive functions and duties of the Assistant Secretary for Enforcement and Compliance.

Appendix I—List of Companies Not Individually Examined

A.R. Williams Materials
AJU Besteel Co., Ltd.
AK Steel
BDP International
Cantak Corporation
Daewoo International Corporation
Dong-A Steel Co., Ltd.
Dong Yang Steel Pipe
Dongbu Incheon Steel
Dongbu Steel Co., Ltd.
Dongkuk S and C
DSEC
EEW Korea
Erndtebruecker Eisenwerk and Company
GS Global
H K Steel
Hansol Metal
HG Tubulars Canada Ltd.
Husteel Co., Ltd.
Hyundai HYSCO [14]
Hyundai HYSCO Co., Ltd.
Hyundai Steel Company
Hyundai Steel Co., Ltd.
ILJIN Steel Corporation
Kukbo Logix
Kukje Steel
Kumkang Industrial Co., Ltd.
McJunkin Red Man Tubular
NEXTEEL Q&T
Nippon Arwwl and Aumikin Vuaan Korea Co., Ltd.
Phocennee
POSCO Processing and Acy Service
Samson
Sedae Entertech
Steel Canada
Steel Flower
Steelpia
Sung Jin
TGS Pipe
Toyota Tsusho Corporation
UNI Global Logistics
Yonghyun Base Materials

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BILLING CODE 3510–DS–P

[13] *See Certain Oil Country Tubular Goods from the Republic of Korea: Notice of Court Decision Not in Harmony With Final Determination,* 81 FR 59603 (August 30, 2016).

[14] On September 21, 2016, the Department published the final results of a changed circumstances review with respect to OCTG from Korea, finding that Hyundai Steel is the successor-in-interest to Hyundai HYSCO for purposes of determining antidumping duty cash deposits and liabilities. *See Notice of Final Results of Antidumping Duty Changed Circumstances Review: Oil Country Tubular Goods from the Republic of Korea,* 81 FR 64873 (September 21, 2016). Hyundai Steel Company is also known as Hyundai Steel Corporation and Hyundai Steel Co. Ltd.

DEPARTMENT OF COMMERCE

International Trade Administration

[Docket No.: 161020988–6988–02]

RIN 0625–XC026

User Fees for Export and Investment Promotion Services/Events

AGENCY: International Trade Administration, Department of Commerce.

ACTION: Notice of implementation of user fees.

SUMMARY: The International Trade Administration (ITA) solicited public feedback on its proposal to adjust export and investment promotion user fees in light of an independent cost study which concluded that ITA is not fully covering its costs for providing services under the current fee structure. Federal agencies are directed by Office of Management and Budget (OMB) Circular A–25 to ensure they recoup their costs when providing certain services. ITA provides a wide range of export and investment promotion information and services to U.S. individuals and entities. The services announced here assist U.S. individuals and entities with their exporting needs and help attract foreign direct investment. These services are a subset of ITA activities that involve relatively more intensive time engagements with particular client firms. ITA will continue to provide information and services that are less intensive and/or benefit the general public without charge. In response to public feedback, amendments have been made to the proposed adjusted user fees. As part of this announcement, ITA announces the final user fees schedule and revised standards related to company size for determining the fees to be charged.

DATES: The user fees schedule will be effective on October 1, 2017.

FOR FURTHER INFORMATION CONTACT: Ms. Aditi Palli, International Trade Administration, Office of Strategic Planning, 1400 Constitution Avenue NW., Rm. 21022, Washington, DC 20230, Phone: (202) 482–2025.

SUPPLEMENTARY INFORMATION:

Background

OMB Circular A–25 requires the recovery of an appropriate share of the full cost through user fees for goods and services provided to recipients of benefits beyond those accruing to the general public. Specifically, section 6 of Circular A–25 states that ''when a service (or privilege) provides special benefits to an identifiable recipient

beyond those that accrue to the general public, a charge will be imposed (to recover the full cost to the Federal Government for providing the special benefit, or the market price).'' A ''user fee'' is the amount paid by a recipient of a special benefit beyond those benefits accruing to the general public. A ''special benefit'' may accrue and a user fee be imposed when a government service: (a) enables the beneficiary to obtain more immediate or substantial gains or values than those that accrue to the general public; (b) is performed at the request or for the convenience of the recipient, and is beyond the services regularly received by members of the same industry or group or by the general public; or (c) provides business stability or contributes to public confidence in the business activity of the beneficiary. For a summary of the export and investment promotion services pricing determination and business size standards, please refer to **Federal Register** notice 81 FR 93660.

Amendments to Original User Fee Proposal in Response to Public Comments

ITA solicited public comment on the proposed revisions to the user fees during a 30-day period from December 21, 2016 to January 21, 2017. Almost 100 comments were received in response to the proposal. The individual comments can be viewed on the Federal eRulemaking Portal: *www.Regulations.gov*. The identification number is ITA–2016–0012. All comments received during this time were reviewed and considered with respect to the final user fee schedule. A summary of the comments is provided below:

Comments that generally support ITA's export and investment promotion services:

- Government programs and export assistance are important as competitor nations offer similar trade programs and assistance to their domestic companies. ITA provides invaluable assistance to small and medium size enterprises (SMEs), allowing them to access a network of foreign markets, generate export sales, and gain a competitive edge in the international marketplace, which they could not otherwise do on their own.
- The current fees for services are affordable.

Response: ITA appreciates the support for its export and investment promotion services and is continuing to offer and enhance the menu of services.

General opposition to price increases based on the following reasons:

- Respondents indicated that fees should not be charged at all for government benefits and services. In the international marketplace, U.S. companies face competition from foreign companies who receive comparable services from their governments for little to no fee. Some expressed that the Government should increase appropriated funds and not charge businesses fees.

Response: Federal regulation requires user fees for ITA's export and investment promotion services. Per OMB Circular A–25, fees must be assessed to cover the cost for government services that convey special benefits to recipients beyond those accrued to the general public. Therefore, services provided by ITA beyond general counseling and publically available information are considered to be special benefits and therefore subject to this federal rule.

- *Small business opposition to price increases:*
  - Small companies already encounter a variety of barriers when exporting.
  - Could discourage small businesses from using investment and promotion services.

Response: ITA has minimized the fee increases for small and medium-sized enterprises. ITA has conducted survey research and focus groups in order to set the fees for SMEs based on their level of price sensitivity in order to minimize the impact on their usage of export promotion and investment services. As a result, the percentage increase in fees to be charged SMEs for such services is below the percentage increase in ITA's costs to deliver the service. For example, the cost to deliver a Gold Key Service for large entities increased by 48% since 2007 ($3,400 versus $2,300) whereas the fee set for small companies in 2007 is proposed to increase by 36% ($950 versus $700).

- *Small businesses generally disagree with the increased cost of the International Company Profile (ICP) and Gold Key Service (GKS).*

Response: ITA has introduced new services to help reduce the costs for SMEs. Many companies utilize the Gold Key Service and other services that involve international travel as a means of exploring the potential of a foreign market. To minimize the expense of traveling for this purpose, ITA's recently launched Initial Market Check service enables a company to explore their market potential without incurring the travel expenses. As a result, companies can minimize their travel expenditures by only pursuing those markets that have significant potential for their products/services. In addition, ITA is introducing a new service called the International Company Profile (ICP) Partial. The ICP Partial allows companies to opt for a less in-depth background check on a foreign company, and is proposed at a fee that is significantly lower than the full ICP. This will enable companies to access less in-depth information on a potential foreign business partner at a lower cost. The IMC and ICP Partial enable U.S. companies, particularly SMEs, to access market intelligence at a lower cost.

A few respondents support increased fees based on the following reasons:

- The value of the services is worth the cost as it yields successful outcomes.
- Only if the fees are used for promoting trade and specifically supporting staffing and resources.
- Only if the increase in fees improves the quality and timeliness of services.
- Moderate increases are acceptable as the current fees do not reflect inflation over the past several years.
- Moderate increases are acceptable as the current fees are quite reasonable.

Response: ITA appreciates the feedback and will continue to provide quality services with reasonable fees.

In response to received feedback and to ensure SME usage of services, the following changes were made to the original proposal:

- Reduced the fee for the Initial Market Check for SMEs (from $450 to $350 for small companies and from $1,000 to $900 for medium companies) to ensure affordability of pursuing a foreign market. This reduction is in compliance with the annual waiver provided by OMB that allows ITA an exemption from charging SMEs the fully allocated cost in order to ensure accessibility of services.
- Introduced annual renewal fees, lower than the initial fees, for the Business Service Provider and Featured U.S. Exporter services in light of the reduced level of effort required to deliver the service after a company's initial enrollment.

User Fee Schedule

The ITA offers export and investment promotion services to U.S. businesses that consist of Standardized Fee Services and Customized Fee Services. For each of these services, fees are collected according to the User Fee Schedule that is made available on the *http://2016.export.gov/csuserfees/* Web site and agency publications. The ''Standardized Fee Services'' listed in the User Fee Schedule are services that are performed in the same general manner by all field units. Other

''Customized Services,'' not shown in the user fee schedule, entail substantive variation of the scope of work with fees based on the level of effort required and direct costs incurred. As part of its revisions to the user fee schedule, ITA turns more Customized Fee Services into Standardized Fee Services to improve the consistency and clarity of fees to be charged.

ITA is also modifying the user fees for both Standardized Fee Services and Customized Fee Services. The final User Fee Schedule provided below lists each standardized fee service. To determine the large company fee for any service, a flat hourly rate of $46 for locally employed staff, $150 for commercial officers and $80 for U.S.-based staff is multiplied by the estimated workload hours for each employee type. To determine the fees for a small business and medium-sized business, price sensitivity survey results were analyzed to determine the discount to be applied. Direct costs, such as transportation or an interpreter, will be discussed with the client and assessed in addition to the user fee. For Customized Fee Services, the estimated workload hours will vary, but the user fee is calculated based on the weighted average hourly rate of $90 per hour for large companies, $70 per hour for medium-sized enterprises, and $30 per hour for small businesses. The services included in this schedule are described below.

1. *Business Service Provider:* A listing of U.S. and foreign business service providers that offer export/investment assistance; such as consultants, lawyers, freight forwarders, etc. The fee is paid for by the business service provider to be listed on ITA Web sites.

2. *Certified Trade/Investment Mission:* Provides a group of U.S. companies or economic development organizations with a market briefing, networking reception and Gold Key Service (see description below) in-country as part of a mission organized by an economic development organization or CS office/team. The fees for these missions are separate from Department of Commerce Executive-led Missions, which are organized by Industry and Analysis/Trade Promotion Programs.

3. *Featured U.S. Exporter:* Provides U.S. companies with an opportunity to enhance their international marketing efforts through improved search engine optimization via .gov link-backs to their company's Web site. The service entails listing their goods/services overseas on a trusted U.S. government Web site with a brief description and contact information.

4. *Gold Key Service:* Provides U.S. companies with matchmaking appointments with up to five interested partners in a foreign market. The service includes identification and outreach to potential matching firms, sending client's information to identified matching firms, preparing a profile of interested firms, and providing a report with the profile and contact information for interested firms.

5. *Initial Market Check:* Provides U.S. firms with a report containing information needed to evaluate the potential of their product or service offering in a specific target market, including a snapshot of the market potential of the product/service; feedback from up to five local contacts on their level of interest in the product/service; and analysis and recommendations for next steps.

6. *International Company Profile—Full Report:* Provides U.S. companies and economic development organizations with a comprehensive background report on a specific foreign company, including information on company size, sales data, business activities, corporate structure, shareholders and directors, references, financial data creditworthiness and market outlook; site visit and interviews with principals; information sources consulted in preparing the report; and analysis of information collected.

7. *International Company Profile—Partial Report:* Provides U.S. companies and economic development organizations with a partial background report on a specific foreign company, including information on company size, sales data, business activities, references, corporate structure, and shareholders/directors; information sources consulted in preparing the report; and brief analysis of information collected.

8. *International Partner Search:* Provides U.S. companies with a list of up to five partners/distributors that have expressed an interest in the client's goods/services. The service includes identification and outreach to potential matching firms, sending client's information to identified matching firms, preparing a profile of interested firms, and providing a report with the profile and contact information for interested firms.

9. *International Partner Search + Virtual Introductions:* Provides the same as above, but also includes virtual introductions via conference calls with up to five of the contacts identified.

10. *Other Customized Services/Events:* Includes all other services/events not listed.

11. *Single Company or Location Promotion:* Provides a U.S. firm or locality with a promotional event (such as a technical seminar, press conference, luncheon, dinner, cocktail reception, etc.) to help increase awareness of their locality or existing/new products/services in a specific market, including organizing the event logistics/venue; conducting a targeted direct mail or email campaigns; managing the promotional campaign and event-related logistics; providing logistical and promotional support on-site during the event; and providing a post-event de-briefing to discuss next steps.

12. *Trade Show Representation:* Provides U.S. companies and economic development organizations with the ability to increase their marketing exposure at a trade show when they are unable to attend in-person. The service entails conducting pre-trade show promotions via Internet/social media/email campaign, representing the client at the trade show, displaying the client's promotional materials at the trade show, conducting outreach to foreign buyers/distributors in attendance at the trade show, and providing contact information for each overseas company that expressed interest in the client's products/services at the trade show.

13. *Verified Contact List:* Provides U.S. firms with a basic contact list of up to five to 10 agents, distributors and partners in a foreign market. The information included in the contact list will have been reviewed and verified for accuracy only and no information will be provided on the level of interest in the client's products/services.

14. *Webinar:* Provides U.S. firms and economic development organizations with export knowledge and/or market intelligence from experts located around the globe via an online webinar. The webinars are archived on export.gov.

15. *Web Site Globalization:* provides U.S. companies with services to enhance the strength of their Web site for attracting foreign partners/business.

User Fee Discounts

The revised user fee schedule eliminates the SME incentive program, which offered an additional discount for first-time users of services. As part of the revised pricing, small businesses, economic development organizations and non-profit education institutions will benefit from an average approximate ~70 percent discount and medium-sized enterprises are provided an average approximate 30 percent discount.

The final user fee schedule for export and investment promotion services are listed below.

USER FEE SCHEDULE FOR EXPORT PROMOTION SERVICES

Service/Event	Fee [1]		
	Small [2]	Medium	Large [3]
Business Service Provider	$150 + $50 for translation if needed Annual renewal: $75	$250 + $50 for translation if needed Annual renewal: $125	$350. + $50 for translation if needed. Annual renewal: $175.
Certified Trade Mission (Market briefing and/or networking reception and/or Gold Key Service—GKS).	Full Package: $1,200 Networking Reception and GKS: $1,100. Market Briefing and GKS: $1,000 Market Briefing and Networking Reception: $250. + any direct costs	Full Package: $2,800 Networking Reception and GKS: $2,700. Market Briefing and GKS: $2,400 Market Briefing and Networking Reception: $500. + any direct costs	Full Package: $4,000. Networking Reception and GKS: $3,900. Market Briefing and GKS: $3,500. Market Briefing and Networking Reception: $600. + any direct costs.
Featured U.S. Exporter listing (5 markets).	$150 + $50 for translation if needed Annual renewal: $75	$350 + $50 for translation if needed Annual renewal: $175	$500. + $50 for translation if needed. Annual renewal: $250.
Gold Key Service	$950 + $350 for 2nd day	$2,300 + $1,000 for 2nd day	$3,400. + $1,200 for 2nd day.
Initial Market Check	$350	$900	$1,300.
International Company Profile—Full.	$700	$1,200	$2,000.
International Company Profile—Partial.	$350	$850	$1,100.
International Partner Search	$750	$1,400	$2,800.
International Partner Search + Virtual Introductions.	$900	$1,750	$3,250.
Other Customized Services and Events.	$30 per staff hour + any direct costs	$70 per staff hour + any direct costs	$90 per staff hour. + any direct costs.
Single Company Promotion	20 to 40 hours of staff time: $800 40 to 80 hours of staff time: $1,500. 80 to 110 hours of staff time: $2,000. + any direct costs	20 to 40 hours of staff time: $1,800. 40 to 80 hours of staff time: $2,000. 80 to 110 hours of staff time: $4,800. + any direct costs	20 to 40 hours of staff time: $2,600. 40 to 80 hours of staff time: $4,500. 80 to 110 hours of staff time: $6,300. + any direct costs.
Trade Show Representation	$400	$950	$1,350.
Verified Contact List	$150	$350	$450.
Webinar	$25 per webinar hour	$25 per webinar hour	$25 per webinar hour.
Website Globalization	$100	$300	$400.

[1] Other direct costs not included in the service description must be assumed by the client. Types of other direct costs include translation, transportation, use of contractors, venue rental, catering, etc.
[2] Fees listed also apply to Economic Development Organizations and Non-profit Educational Institutions.
[3] Fees listed also apply to Foreign Companies, regardless of their size, that use ITA services, particularly the Business Service Provider listing, to promote themselves to U.S. exporters.

USER FEE SCHEDULE FOR INVESTMENT PROMOTION SERVICES

Service	Fee for Economic Development Organizations [4]
Certified Investment Mission (Market briefing, networking reception and Gold Key Service).	Full Package: $1,200. + any direct costs.
Gold Key Service	$950. + $350 for 2nd day.
International Company Profile—Full	$700.
International Company Profile—Partial	$350.
Other Customized Services/Events	$30 per staff hour. + any direct costs.
Single Location Promotion	20–40 hours of staff time: $800. 40–80 hours of staff time: $1,500. 80–110 hours of staff time: $2,000. + any direct costs.

[4] Other direct costs not included in the service description must be covered by the client in the form of additional user fees. Types of other direct costs include translation, transportation, use of contractors, venue rental, catering, etc.

Notes:

• Business Service Provider: Individual category fee. To be listed in more than one category, there is an additional fee per category of $30 for small businesses, $50 for medium-sized enterprises and $70 for large companies. The annual renewal fee is $75 for small businesses, $125 for medium-sized enterprises and $175 for large companies.

• Certified Trade Mission: The fee is assessed on a per Post/city basis. Applicants will be charged a fee for an Initial Market Check if staff is uncertain about their market potential. The fee paid by the applicant is then applied to

their Certified Trade Mission fee if they participate in the mission.

• Featured U.S. Exporter: Listings are typically provided for up to 5 markets. However, they an additional individual market can be provided for $30 for small businesses, $50 for medium-sized enterprises and $70 for large companies. The annual renewal fee is $75 for small businesses, $175 for medium-sized enterprises and $250 for large companies.

• Initial Market Check: Is a required precursor for more time intensive services if staff is uncertain about a client's market potential. Fees paid for the Initial Market Check will then be applied to any follow-on service if the results are positive. The fee is assessed on a per country basis.

• International Company Profile—Partial: Does not include a site visit.

• Webinars will be archived and made available to the general public, so the requirement to recover ITA's costs does not apply; however, a minimal fee is required to help ensure the suitability of participants and cover the cost of any special benefit that may derive from attending in real-time, such as question and answer opportunities. Uniform pricing is listed because the enforcement of pricing by size standards for each registrant creates an administrative burden. Some webinars will be provided at no charge when the purpose is primarily to promote ITA or other United States Government events, activities, etc.

Determining the Cost of Performing Each Service

The cost of service methodology developed by ITA was designed to bring the organization closer to full cost recovery guidance set forth in OMB Circular A–25. To set user fees that are ''self-sustaining,'' ITA had to determine the true cost of providing various export and investment promotion services.

Federal Accounting Standards permit ITA to use an activity-based costing model to determine the true cost of services listed in the proposed User Fee Schedule. The activities were defined in accordance with the list of services offered by ITA, including both standard and customized services.

As part of the cost of service study, ITA conducted a workload survey to obtain a more accurate estimate of the true cost for delivery of specific services. The workload survey was designed and distributed to all ITA international and domestic field units. The data submitted by various field units was then aggregated to determine the global average of workload for each standard or customized service. Using FY2015 ITA budget data, fringe benefits and non-labor related costs (*e.g.,* materials, supplies, rent, utilities, and equipment) were prorated to determine the burdening rate that was to be added to the hourly rate. This resulted in an hourly rate that accounts for all applicable labor and non-labor costs specifically related to the delivery of services, which is consistent with federal accounting standards.

Conclusion

Based on the information provided above, ITA believes its fee schedules are consistent with both the mission to promote ''exports of goods and services from the United States, particularly by small businesses and medium-sized businesses,'' and the objective of OMB Circular A–25 to ''promote efficient allocation of the nation's resources by establishing charges for special benefits provided to the recipient that are at least as great as the cost to the U.S. Government of providing the special benefits.'' Public comments were reviewed, and addressed through amendments to the original proposal and are reflected in the current fee schedule. ITA will reassess the fee schedule after the first year of implementation and, in accordance with OMB Circular A–25, at least every two years thereafter.

Dated: June 28, 2017.

Stephanie Smedile,

Acting Director, Office of Strategic Planning, International Trade Administration.

[FR Doc. 2017–14238 Filed 7–7–17; 8:45 am]

BILLING CODE 3510–FP–P

DEPARTMENT OF COMMERCE

International Trade Administration

[A–570–831]

Fresh Garlic From the People's Republic of China: Initiation of Semiannual Antidumping Duty New Shipper Review; 2016–2017

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce

SUMMARY: On May 19, 2017, the Department received a timely request for a semiannual new shipper review (NSR) from Qingdao Doo Won Foods Co., Ltd. (Doo Won). The Department of Commerce (Department) has determined that the request for a NSR of the antidumping duty order on Fresh Garlic from the People's Republic of China (PRC) meets the statutory and regulatory requirements for initiation. The period of review (POR) is November 1, 2016, through April 30, 2017.

DATES: Effective July 10, 2017.

FOR FURTHER INFORMATION CONTACT: Alexander Cipolla, AD/CVD Operations, Office VII, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue NW., Washington, DC 20230; telephone: (202) 482–4956.

SUPPLEMENTARY INFORMATION:

Background

The Department published the antidumping duty order on fresh garlic from the PRC in the **Federal Register** on November 16, 1994.[1] On May 19, 2017, the Department received a timely request for a NSR from Doo Won.[2] Doo Won certified that it is the exporter and producer of the fresh garlic upon which the request for a NSR is based. Pursuant to section 751(a)(2)(B)(i)(I) of the Act and 19 CFR 351.214(b)(2)(i), Doo Won certified that it did not export fresh garlic for sale to the United States during the period of investigation (POI).[3] Moreover, pursuant to section 751(a)(2)(B)(i)(II) of the Act and 19 CFR 351.214(b)(2)(iii)(A), Doo Won certified that, since the investigation was initiated, it never has been affiliated with any exporter or producer who exported the subject merchandise to the United States during the POI, including those not individually examined during the investigation.[4] Further, as required by 19 CFR 351.214(b)(2)(iii)(B), it certified that its export activities are not controlled by the central government of the PRC.[5] Doo Won also certified it had no subsequent shipments of subject merchandise.[6]

In addition to the certifications described above, pursuant to 19 CFR 351.214(b)(2)(iv), Doo Won submitted documentation establishing the following: (1) The date of its first sale to an unaffiliated customer in the United States; (2) the date on which the fresh garlic was first entered; and (3) the volume of that shipment.[7]

The Department queried the database of U.S. Customs and Border Protection (CBP) in an attempt to confirm that the shipment reported by Doo Won had entered the United States for

[1] *See Antidumping Duty Order: Fresh Garlic from the People's Republic of China,* 59 FR 59209 (November 16, 1994).

[2] *See* Doo Won's Letter, ''Fresh garlic from the People's Republic of China: Request for New-Shipper Review,'' (November 30, 2016).

[3] *Id.* at Attachment 1.

[4] *Id.*

[5] *Id.*

[6] *Id.* at 2.

[7] *Id.* at Attachment 2.

consumption and that liquidation had been properly suspended for antidumping duties. The information which the Department examined was consistent with that provided by Doo Won in its request.[8] In particular, the CBP data confirmed the price and quantity reported by Doo Won for the sale that forms the basis for this NSR request.

Period of Review

Pursuant to 19 CFR 351.214(c), an exporter or producer may request a NSR within one year of the date on which its subject merchandise was first entered. Moreover, 19 CFR 351.214(d)(1) states that if the request for the review is made during the six-month period ending with the end of the semiannual anniversary month, the Secretary will initiate a NSR in the calendar month immediately following the semiannual anniversary month. Further, 19 CFR 315.214(g)(1)(i)(B) states that if the NSR was initiated in the month immediately following the semiannual anniversary month, the POR will be the six-month period immediately preceding the semiannual anniversary month. Doo Won made the request for a NSR, which included all documents and information required by the statute and regulations, within one year of the date on which its fresh garlic first entered. Its request was filed in May, which is the semiannual anniversary month of the order. Therefore, the POR is November 1, 2016, through April 30, 2017.[9]

Initiation of New Shipper Review

Pursuant to section 751(a)(2)(B) of the Act and 19 CFR 351.214(b), and the information on the record, the Department finds that Doo Won's request meets the threshold requirements for initiation of a NSR and, therefore, is initiating a NSR of Doo Won. The Department intends to issue the preliminary results within 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.[10]

It is the Department's usual practice in cases involving non-market economies to require that a company seeking to establish eligibility for an antidumping duty rate separate from the country-wide rate (*i.e.,* a separate rate) provide evidence of *de jure* and *de facto* absence of government control over the company's export activities.[11] Accordingly, the Department will issue questionnaires to Doo Won, which will include a section requesting information with regard to its export activities for the purpose of establishing its eligibility for a separate rate. The review will proceed if the responses provide sufficient indication that Doo Won is not subject to either *de jure* or *de facto* government control with respect to its exports of fresh garlic.

On February 24, 2016, the President signed into law the ''Trade Facilitation and Trade Enforcement Act of 2015,'' H.R. 644, which made several amendments to section 751(a)(2)(B) of the Act. We will conduct this new shipper review in accordance with section 751(a)(2)(B) of the Act, as amended by the Trade Facilitation and Trade Enforcement Act of 2015.[12]

Interested parties requiring access to proprietary information in this proceeding should submit applications for disclosure under administrative protective order in accordance with 19 CFR 351.305 and 351.306.

This initiation and notice are in accordance with section 751(a)(2)(B) of the Act and 19 CFR 351.214 and 351.221(c)(1)(i).

Dated: July 3, 2017.

Gary Taverman,

Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, performing the non-exclusive functions and duties of the Assistant Secretary for Enforcement and Compliance.

[FR Doc. 2017–14383 Filed 7–7–17; 8:45 am]

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[8] *See* Memorandum, ''New Shipper Review of the Antidumping Duty Order on Fresh Garlic from the People's Republic of China: U.S. Customs and Border Protection Entry Data,'' dated June 21, 2017.

[9] *See* 19 CFR 351.214(g)(1)(i)(B).

[10] *See* section 751(a)(2)(B)(iv) of the Act.

[11] *See* Import Administration Policy Bulletin, Number: 05.1. (*http://ia.ita.doc.gov/policy/bull05-1.pdf*).

[12] The Trade Facilitation and Trade Enforcement Act of 2015 removed from section 751(a)(2)(B) of the Act the provision directing the Department to instruct Customs and Border Protection to allow an importer the option of posting a bond or security in lieu of a cash deposit during the pendency of a new shipper review.

DEPARTMENT OF COMMERCE

National Institute of Standards and Technology

Judges Panel of the Malcolm Baldrige National Quality Award

AGENCY: National Institute of Standards and Technology, Department of Commerce.

ACTION: Notice of closed meeting.

SUMMARY: The Judges Panel of the Malcolm Baldrige National Quality Award (Judges Panel) will meet in closed session on Wednesday, August 23, 2017, from 9:00 a.m. to 3:30 p.m. Eastern time. The purpose of this meeting is to review the results of examiners' scoring of written applications. Panel members will vote on which applicants merit site visits by examiners to verify the accuracy of quality improvements claimed by applicants. The meeting is closed to the public in order to protect the proprietary data to be examined and discussed.

DATES: The meeting will be held on Wednesday, August 23, 2017, from 9:00 a.m. to 3:30 p.m. Eastern time. The entire meeting will be closed to the public.

ADDRESSES: The meeting will be held at the National Institute of Standards and Technology, 100 Bureau Drive, Gaithersburg, MD 20899.

FOR FURTHER INFORMATION CONTACT: Robert Fangmeyer, Director, Baldrige Performance Excellence Program, National Institute of Standards and Technology, 100 Bureau Drive, Mail Stop 1020, Gaithersburg, Maryland 20899–1020, telephone number (301) 975–2360, email *robert.fangmeyer@nist.gov.*

SUPPLEMENTARY INFORMATION:

Authority: 15 U.S.C. 3711a(d)(1) and the Federal Advisory Committee Act, as amended, 5 U.S.C. App.

Pursuant to the Federal Advisory Committee Act, as amended, 5 U.S.C. App., notice is hereby given that the Judges Panel of the Malcolm Baldrige National Quality Award will meet on Wednesday, August 23, 2017, from 9:00 a.m. to 3:30 p.m. Eastern time. The Judges Panel is composed of twelve members, appointed by the Secretary of Commerce, with a balanced representation from U.S. service, manufacturing, nonprofit, education, and health care industries. Members are selected for their familiarity with quality improvement operations and competitiveness issues of manufacturing companies, service companies, small businesses, health care providers, and educational institutions. Members are also chosen who have broad experience in for-profit and nonprofit areas. The purpose of this meeting is to review the results of examiners' scoring of written applications. Panel members will vote on which applicants merit site visits by examiners to verify the accuracy of quality improvements claimed by applicants. The meeting is closed to the public in order to protect the proprietary data to be examined and discussed.

The Chief Financial Officer and Assistant Secretary for Administration,

with the concurrence of the Assistant General Counsel for Administration and Transactions, formally determined on March 21, 2017, pursuant to Section 10(d) of the Federal Advisory Committee Act, in accordance with Section 5(c) of the Government in the Sunshine Act, Public Law 94–409, that the meeting of the Judges Panel may be closed to the public in accordance with 5 U.S.C. 552b(c)(4) because the meeting is likely to disclose trade secrets and commercial or financial information obtained from a person which is privileged or confidential and 5 U.S.C. 552b(c)(9)(B) because the meeting is likely to disclose information the premature disclosure of which would, in the case of any agency, be likely to significantly frustrate implementation of a proposed agency action. The meeting, which involves examination of current Malcolm Baldrige National Quality Award (Award) applicant data from U.S. organizations and a discussion of these data as compared to the Award criteria in order to recommend Award recipients, will be closed to the public.

Kevin Kimball,

NIST Chief of Staff.

[FR Doc. 2017–14389 Filed 7–7–17; 8:45 am]

BILLING CODE 3510–13–P

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

RIN 0648–XF506

U.S. Seafood Import Monitoring Program; Public Meetings on Implementation

AGENCY: National Marine Fisheries Service (NMFS), National Oceanic and Atmospheric Administration (NOAA), Commerce.

ACTION: Notice of public meetings.

SUMMARY: NMFS will hold public meetings in the U.S. and abroad beginning in July 2017. The intent of the meetings is to discuss implementation of the U.S. Seafood Import Monitoring Program. All meetings are free of charge and open to the public.

DATES: Meetings will be held beginning July 13, 2017. See **SUPPLEMENTARY INFORMATION** for specific dates and times.

ADDRESSES: Meetings will be held in locations including Long Beach, CA; Seattle, WA, Elizabeth, NJ and Miami, FL. See **SUPPLEMENTARY INFORMATION** for specific locations.

FOR FURTHER INFORMATION CONTACT: Celeste Leroux at (202) 816–0661.

SUPPLEMENTARY INFORMATION:

Meeting Dates and Locations

Thursday, July 13, 2017, 10 a.m. to 12 p.m.

Location: Hilton Long Beach, 701 West Ocean Boulevard, Long Beach, CA 90831; telephone: (562) 983–3400; fax: (562) 983– 1200.

Tuesday, July 18, 2017, 10 a.m. to 12 p.m.

Location: DoubleTree Suites by Hilton Seattle Airport—Southcenter, 16500 Southcenter Parkway, Seattle, WA 98188; telephone: (206) 575–8220; fax: (206) 575–4743.

Thursday, July 20, 2017, 10 a.m. to 12 p.m.

Location: Renaissance Newark Airport Hotel, 1000 Spring Street, Elizabeth, NJ 07201; telephone: (908) 436–4600; fax: (908) 436–4610.

Tuesday, July 25, 2017, 10 a.m. to 12 p.m.

Location: Hilton Miami Airport, 5101 Blue Lagoon Drive, Miami, FL 33126; telephone: (305) 262–1000; fax: (305) 267–0038.

Additional public meetings in the U.S. and abroad may be added and will be announced online at least one week in advance of the meeting(s) at *www.iuufishing.noaa.gov.*

Agenda

All meetings will discuss facets of implementing the Seafood Import Monitoring Program, including:

- Overview of the Seafood Import Monitoring Program.
- Implementation Timeline.
- Pilot Testing in the Automated Commercial Environment (ACE) for U.S. Importers.
- Traceability Data Requirements for Reporting.
- Supply Chain Data Requirements for Recordkeeping.
- Question and Answer Session.

As part of NOAA's ongoing efforts to provide industry awareness of and support for compliance with the Seafood Import Monitoring Program's traceability data reporting and recordkeeping requirements, NMFS will hold public meetings to discuss the implementation of the U.S. Seafood Import Monitoring Program and address questions from participants.

The meetings will address issues relevant to both foreign exporters and U.S. domestic importers of seafood species whose products are covered by the Seafood Import Monitoring Program (SIMP). The mandatory compliance date for SIMP is January 1, 2018. Please note, however, that the rule has been challenged in Federal court and the resolution of that case may impact implementation of the rule, including the compliance date.

The Seafood Import Monitoring Program is the first phase of a risk-based traceability program, which establishes the reporting and recordkeeping requirements needed to prevent illegally harvested and misrepresented seafood from entering into U.S. Commerce. In the development of the SIMP rule, 13 ''priority'' species were identified as being most at risk for Illegal, Unreported, and Unregulated (IUU) fishing and misrepresentation, and are the only species currently subject to this program.

Importers of the 13 priority species (Abalone*, Atlantic Cod, Atlantic Blue Crab, Dolphinfish (Mahi Mahi), Grouper, Red King Crab, Pacific Cod, Red Snapper, Sea Cucumber, Sharks, Shrimp*, Swordfish, and Tunas: Albacore, Bigeye, Skipjack, Yellowfin, and Bluefin) will be required to submit harvest and landing information on those products through the International Trade Data System (ITDS) prior to entry into U.S. Commerce, and maintain supply chain records from the point of harvest to the point of entry into U.S Commerce for a period of two years after entry. *Note that the mandatory compliance date for Abalone and Shrimp has been stayed until further notice.

Information on future SIMP implementation meetings and transcripts of prior meetings and webinars can be found at: *http://www.iuufishing.noaa.gov/RecommendationsandActions/RECOMMENDATION1415/FinalRuleTraceability.aspx.*

Special Accommodations

The meetings are physically accessible to people with disabilities. Requests for sign language interpretation or other auxiliary aids should be directed to Celeste Leroux at (202) 816–0661 prior to the meeting.

Dated: July 3, 2017.

John Henderschedt,

Director, Office of International Affairs and Seafood Inspection, National Marine Fisheries Service.

[FR Doc. 2017–14327 Filed 7–7–17; 8:45 am]

BILLING CODE 3510–22–P

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

RIN 0648–XF366

Takes of Marine Mammals Incidental to Specified Activities; Taking Marine Mammals Incidental to Seabird Research Activities in Central California

AGENCY: National Marine Fisheries Service (NMFS), National Oceanic and Atmospheric Administration (NOAA), Commerce.

ACTION: Notice; issuance of an incidental harassment authorization.

SUMMARY: In accordance with the regulations implementing the Marine Mammal Protection Act (MMPA) as amended, notification is hereby given that we have issued an incidental harassment authorization (IHA) to Point Blue Conservation Science (Point Blue) to incidentally harass four species of marine mammals during seabird research activities in central California.

DATES: This authorization is valid from July 7, 2017 through July 6, 2018

FOR FURTHER INFORMATION CONTACT: Robert Pauline, Office of Protected Resources, NMFS, (301) 427–8408.

SUPPLEMENTARY INFORMATION:

Availability

An electronic copy of Point Blue's application and supporting documents, as well as a list of the references cited in this document, may be obtained online at: *www.nmfs.noaa.gov/pr/permits/incidental/research.htm*. In case of problems accessing these documents, please call the contact listed above (see **FOR FURTHER INFORMATION CONTACT**).

Background

Sections 101(a)(5)(A) and (D) of the MMPA (16 U.S.C. 1361 *et seq.*) direct the Secretary of Commerce to allow, upon request, the incidental, but not intentional, taking of small numbers of marine mammals by U.S. citizens who engage in a specified activity (other than commercial fishing) within a specified geographical region if certain findings are made and either regulations are issued or, if the taking is limited to harassment, a notice of a proposed authorization is provided to the public for review.

An authorization for incidental takings will be granted if NMFS finds that the taking will have a negligible impact on the species or stock(s), will not have an unmitigable adverse impact on the availability of the species or stock(s) for subsistence uses (where relevant), and if the permissible methods of taking and requirements pertaining to the mitigation, monitoring and reporting of such takings are set forth.

NMFS has defined ''negligible impact'' in 50 CFR 216.103 as an impact resulting from the specified activity that cannot be reasonably expected to, and is not reasonably likely to, we adversely affect the species or stock through effects on annual rates of recruitment or survival.

The MMPA states that the term ''take'' means to harass, hunt, capture, kill or attempt to harass, hunt, capture, or kill any marine mammal.

Except with respect to certain activities not pertinent here, the MMPA defines ''harassment'' as: Any act of pursuit, torment, or annoyance which (i) has the potential to injure a marine mammal or marine mammal stock in the wild (Level A harassment); or (ii) has the potential to disturb a marine mammal or marine mammal stock in the wild by causing disruption of behavioral patterns, including, but not limited to, migration, breathing, nursing, breeding, feeding, or sheltering (Level B harassment).

Summary of Request

NMFS received a request from Point Blue for an IHA to take marine mammals incidental to seabird and marine mammal monitoring at three locations in central California. Point Blue's request was for harassment only and NMFS concurs that mortality is not expected to result from this activity. Therefore, an IHA is appropriate.

On March 7, 2017, NMFS received an application from Point Blue requesting the taking by harassment of marine mammals incidental to conducting seabird research activities on Southeast Farallon Island (SEFI), Año Nuevo Island (ANI), and Point Reyes National Seashore (PRNS). Point Blue, along with partners Oikonos Ecosystem Knowledge and PRNS, plan to conduct the proposed activities for one year. These partners are conducting this research under cooperative agreements with the U.S. Fish and Wildlife Service in consultation with the Gulf of the Farallones National Marine Sanctuary. We considered the application adequate and complete on April 7, 2017.

These proposed activities would occur in the vicinity of pinniped haul-out sites and could result in the incidental take of marine mammals. Species with the expected potential to be present include California sea lions (*Zalophus californianus*), Pacific harbor seals (*Phoca vitulina*), northern elephant seals (*Mirounga angustirostris*), and Steller sea lions (*Eumetopias jubatus*).

Description of Specified Activities

Overview

We provided a description of the proposed action in our **Federal Register** notice announcing the proposed authorization (82 FR 22504; May 16, 2017). Please refer to that document; we provide only summary information here.

Point Blue proposes to monitor and census seabird colonies; observe seabird nesting habitat; restore nesting burrows; and resupply a field station annually in central California (*i.e.,* SEFI, ANI, and PRNS). The purpose of the seabird research is to continue a 30-year monitoring program of the region's seabird populations. Level B take may occur due to incidental disturbance of pinnipeds by researchers during monitoring.

Dates and Duration

The authorization would be effective from July 7, 2017 through July 6, 2018. Surveys are conducted year-round at the specified locations. At SEFI, seabird monitoring sites are visited ~1–3 times per day for a maximum of 500 visits per year. Most seabird monitoring visits are brief (~15 minutes), though seabird observers are present from 2–5 hours daily at North Landing from early April to early August each year to conduct observational studies on breeding common murres. Boat landings to re-supply the field station, lasting one–three hours, are conducted once every two weeks at one of these locations. At ANI, research is conducted once/week April–August, with occasional intermittent visits made during the rest of the year. The maximum number of visits per year would be 20. Research at PRNS is conducted year round, with an emphasis during the seabird nesting season with occasional intermittent visits the rest of the year. The maximum number of visits per year is 20. Nesting habitat restoration and monitoring activities require sporadic visits from September–November, between the seabird breeding season and the elephant seal pupping season. Landings and visits to nest boxes are brief (~15 minutes).

Specified Geographic Region

Point Blue will conduct their research activities within the vicinity of pinniped haul-out sites in the following locations:

- *South Farallon Islands:* The South Farallon Islands consist of SEFI located at 37°41′54.32″ N.; 123°0′8.33″ W. and

West End Island. The South Farallon Islands have a land area of approximately 120 acres (0.49 square kilometers (km^2)) and are part of the Farallon National Wildlife Refuge. The islands are located near the edge of the continental shelf 28 miles (mi) (45.1 km) west of San Francisco, CA, and lie within the waters of the Gulf of the Farallones National Marine Sanctuary;

- *Año Nuevo Island:* ANI is located at 37°6′29.25″ N.; 122°20′12.20″ W. is one-quarter mile (402 meters m) offshore of Año Nuevo Point in San Mateo County, CA. The island lies within the Monterey Bay National Marine Sanctuary and the Año Nuevo State Marine Conservation Area; and
- *Point Reyes National Seashore:* PRNS is approximately 40 miles (64.3 km) north of San Francisco Bay and also lies within the Gulf of the Farallones National Marine Sanctuary.

Comments and Responses

A notice of NMFS's proposal to issue an IHA to Point Blue was published in the **Federal Register** on May 16, 2017 (82 FR 22504). That notice described, in detail, Point Blue's activity, the marine mammal species that may be affected by the activity, and the anticipated effects on marine mammals. During the 30-day public comment period, NMFS received only one comment letter, from the Marine Mammal Commission (Commission). The Commission's recommendations and our responses are provided here, and the comments have been posted online at: *www.nmfs.noaa.gov/pr/permits/incidental/construction.htm.* Please see the Commission's letter for background and rationale regarding the recommendations, which are listed below.

Comment: The Commission clarified with NMFS that it should be authorizing, and Point Blue should be reporting, only takes of pinn peds incidental to conducting the various seabird research and resupply activities. All directed taking to prevent damage to critical infrastructure and to ensure human safety (including moving pinnipeds from paths, parking lots, and boat ramps) should be conducted in accordance with the authorities available under sections 101(a)(4) or 109(h) of the MMPA.

Response: NMFS agrees with this assessment and confirmed that Point Blue will only be only reporting takes that are incidental to seabird research and resupply activities. Directed takes are not authorized and will not be reported under this IHA.

Description of Marine Mammals in the Area of Specified Activities

There are four marine mammal species known to occur in the vicinity of the project area. We reviewed Point Blue's detailed species descriptions, including life history information, for accuracy and completeness and refer the reader to Section 3 of Point Blue's application as well as our notice of proposed IHA published in the **Federal Register** (82 FR 22504; May 16, 2017). Please also refer to NMFS' Web site (*www.nmfs.noaa.gov/pr/species/mammals*) for generalized species accounts that provide information regarding the biology and behavior of the marine resources that occur in proximity to the project area.

Table 1 lists all species with expected potential for occurrence at SEFI, ANI, and PRNS and summarizes information related to the population or stock, including potential biological removal (PBR), where known. For taxonomy, we follow Committee on Taxonomy (2016). PBR, defined by the MMPA as the maximum number of animals, not including natural mortalities, that may be removed from a marine mammal stock while allowing that stock to reach or maintain its optimum sustainable population, is considered in concert with known sources of ongoing anthropogenic mortality to assess the population-level effects of the anticipated mortality from a specific project (as described in NMFS's SARs). While no mortality is anticipated or authorized here, PBR and annual serious injury and mortality are included here as gross indicators of the status of the species and other threats. For status of species, we provide information regarding U.S. regulatory status under the MMPA and the Endangered Species Act (ESA). California (southern) sea otters (*Enhydra lutris nereis*), listed as threatened under the ESA and categorized as depleted under the MMPA, usually range in coastal waters within two km of shore. Marine mammal abundance estimates presented in this document represent the total number of individuals that make up a given stock or the total number estimated within a particular study area. NMFS's stock abundance estimates for most species represent the total estimate of individuals within the geographic area, if known, that comprises that stock.

All managed stocks in this region are assessed in NMFS's 2015 U.S. Pacific Stock Assessment Report (Carretta *et al.,* 2016) or the 2015 Alaska Stock Assessment Report (Muto *et al.,* 2016). The most recent information regarding Steller sea lions may be found in 2016 Draft Alaska Stock Assessment Report (Muto *et al.,* 2016b). Four species have the potential to be incidentally taken during the proposed survey activities and are listed in Table 1. Values presented in Table 1 are from the 2015 SARs and draft 2016 SARs (available online at: *www.nmfs.noaa.gov/pr/sars/*).

TABLE 1—MARINE MAMMALS POTENTIALLY PRESENT IN THE VICINITY OF STUDY AREAS

Species	Scientific name	Stock	ESA/MMPA status; strategic (Y/N) [1]	Stock abundance (CV, N_{min}, most recent abundance survey) [2]	PBR [3]
California sea lion	*Zalophus californianus*	U.S	-; N	296,750 (n/a; 153,337; 2011)	9,200
Steller sea lion	*Eumetopias jubatus*	Eastern U.S	D; Y	71,562 (n/a; 41,638; 2015)	2,498
Harbor seal	*Phoca vitulina richardii*	California	-; N	30,968 (0.157; 27,348; 2012)	1,641
Northern elephant seal	*Mirounga angus tirostris*	California breeding stock	-; N	179,000 (n/a; 81,368; 2010)	4,882

[1] ESA status: Endangered (E), Threatened (T)/MMPA status: Depleted (D). A dash (-) indicates that the species is not listed under the ESA or designated as depleted under the MMPA.

[2] CV is coefficient of variation; N_{min} is the minimum estimate of stock abundance. In some cases, CV is not applicable. For certain stocks of pinnipeds, abundance estimates are based upon observations of animals (often pups) ashore multiplied by some correction factor derived from knowledge of the specie's (or similar species') life history to arrive at a best abundance estimate; therefore, there is no associated CV. In these cases, the minimum abundance may represent actual counts of all animals ashore.

[3] Potential biological removal, defined by the MMPA as the maximum number of animals, not including natural mortalities, that may be removed from a marine mammal stock while allowing that stock to reach or maintain its optimum sustainable population size (OSP).

Potential Effects of Specified Activities on Marine Mammals and Their Habitat

The effects of seabird researchers at the specified locations have the potential to result in harassment of marine mammals in the vicinity of the action area. The **Federal Register** notice for the proposed IHA (82 FR 22504; May 16, 2017) included a discussion of the effects of Level B harassment on marine mammals. Therefore, that information is not repeated here; please refer to the **Federal Register** notice for that information. No instances of serious injury or mortality are expected as a result of the specified activities.

Estimated Take

This section includes an estimate of the number of incidental ''takes'' permitted for authorization pursuant to this IHA, which will inform both NMFS' consideration of whether the number of takes is ''small'' and the negligible impact determination.

Harassment is the only form of take expected to result from these activities. Except with respect to certain activities not pertinent here, the MMPA defines ''harassment'' as: Any act of pursuit, torment, or annoyance which (i) has the potential to injure a marine mammal or marine mammal stock in the wild (Level A harassment); or (ii) has the potential to disturb a marine mammal or marine mammal stock in the wild by causing disruption of behavioral patterns, including, but not limited to, migration, breathing, nursing, breeding, feeding, or sheltering (Level B harassment).

Authorized takes would be by Level B harassment only, in the form of disruption of behavioral patterns for individual marine mammals resulting from exposure to researchers and motorboat operations. Based on the nature of the activity, Level A harassment is neither anticipated nor authorized. Below we describe how the take is estimated.

NMFS bases these new take estimates on historical data from previous monitoring reports and anecdotal data for the same activities conducted in the same research areas. In brief, for four species (*i.e.,* California sea lions, harbor seals, northern elephant seals, and Steller sea lions), NMFS created a statistical model to derive an estimate of the average annual increase of reported take based on a best fit regression analysis (*i.e.,* linear or polynomial regression) of reported take from 2007 to 2016. Final data from the 2016–2017 season has not been submitted. The predicted annual increase in take for each species was added to the baseline reported take for the 2015–2016 seasons to project the estimated take for the 2017–2018 IHA as is shown in Table 2.

TABLE 2—PAST REPORTED TAKE OBSERVATIONS AND ESTIMATED TAKE FOR 2017–2018 POINT BLUE CONSERVATION SCIENCE ACTIVITIES

Species	Reported take observations from past seasons [1]						Annual projected increase	Projected take 2017–2018 IHA
	IHA 1 (2007–2008)	IHA 2 (2008–2009)	IHA 3 (2011–2012)	IHA 4 (2012–2013)	IHA 5 (2014–2015)	IHA 6 (2015–2016)		
California Sea Lions	744	747	3,610	2,254	4,646	[2] 36,397	11,223	[3] 40,140 (47,620)
Northern Elephant Seals	44	44	67	30	97	169	34	203
Harbor Seals	39	75	109	141	259	292	107	399
Steller Sea Lions (E–DPS)	5	4	4	12	6	31	5	36

[1] Data for 2009–2010 and 2010–2011 not available.
[2] Large increase in California sea lions likely due to El Niño event.
[3] NMFS has decreased projected California sea lion take based on preliminary 2016 observed take data.

The estimated take for California sea lions has been reduced from the figure authorized under the 2016–2017 IHA (53,538). NMFS noted that large numbers of California sea lions recorded in 2015–2016 were likely due to an El Niño event, which ended in May/June of 2016. The El Niño Southern Oscillation (ENSO) is a single climate phenomenon that periodically fluctuates between three phases: Neutral, La Niña or El Niño. La Niña and El Niño are opposite phases that require certain changes to take place in both the ocean and the atmosphere, before an event is declared. ENSO is currently in a neutral state, meaning that sea lion numbers may not approach the projected take for 2017–2018 shown in Table 2. Recent data suggests that there are increasing chances another El Niño could develop in the fall of 2017, although it is impossible to predict the length or severity of such an event (NOAA 2017). Therefore, sea lion numbers could occur at levels similar to what was observed in the 2015–2016 season under El Niño conditions.

Point Blue has provided preliminary data for recorded California sea lion takes at SEFI from calendar year 2016 (January–December), which shows 33,904 California sea lion takes at SEFI. Point Blue has not yet tabulated the data for ANI and PRNS. However, Point Blue estimates that approximately 1,000 animals will be taken at ANI and few, if any, will be taken at PRNS based on preliminary analysis of 2016 data. Therefore, the result for calendar year 2016 is approximately 34,904 sea lion takes (33,904 from SEFI and 1,000 from ANI and PRNS). Note that a portion of the 2016 calendar year featured El Niño conditions (January–May/June), which are predicted to return in the fall of 2017. Therefore, the 2016 calendar year data can serve as a baseline for 2017–2018 IHA. NMFS will conservatively add 15 percent to the estimated 2016 yearly total to arrive at an authorized take of 40,140 California sea lions for the 2017–2018 IHA.

Mitigation

In order to issue an IHA under Section 101(a)(5)(D) of the MMPA, NMFS must set forth the permissible methods of taking pursuant to such activity, and other means of effecting the least practicable impact on such species or stock and its habitat, paying particular attention to rookeries, mating grounds, and areas of similar significance. NMFS regulations require applicants for incidental take authorizations to include information about the availability and feasibility (economic and technological) of equipment, methods, and manner of conducting such activity or other means of effecting the least practicable adverse impact upon the affected species or stocks and their habitat (50 CFR 216.104(a)(11)).

In evaluating how mitigation may or may not be appropriate to ensure the least practicable adverse impact on species or stocks and their habitat, as well as subsistence uses where applicable, we carefully balance two primary factors: (1) The manner in which, and the degree to which, the successful implementation of the measure(s) is expected to reduce impacts to marine mammals, marine

mammal species or stocks, and their habitat, which considers the nature of the potential adverse impact being mitigated (likelihood, scope, range), as well as the likelihood that the measure will be effective if implemented; and the likelihood of effective implementation, and; (2) the practicability of the measures for applicant implementation, which may consider such things as cost, impact on operations, and, in the case of a military readiness activity, personnel safety, practicality of implementation, and impact on the effectiveness of the military readiness activity.

Point Blue has based the mitigation measures, which they will employ during the research, on the implementation of protocols used during previous Point Blue research activities under previous authorizations for these activities. Note that Point Blue and NMFS have refined mitigation requirements over the years in an effort to reduce behavioral disturbance impacts to marine mammals.

To reduce the potential for disturbance from acoustic and visual stimuli associated with the activities Point Blue will implement the following mitigation measures for marine mammals:

(1) Slow approach to beaches for boat landings to avoid stampede and provide animals opportunity to enter water.

(2) Select a pathway of approach to research sites that minimizes the number of marine mammals harassed.

(3) Avoid visits to sites used by pinnipeds for pupping.

(4) Monitor for offshore predators and do not approach hauled out pinnipeds if great white sharks (*Carcharodon carcharias*) or killer whales (*Orcinus orca*) are present. If Point Blue and/or its designees see pinniped predators in the area, they must not disturb the pinnipeds until the area is free of predators.

(5) Keep voices hushed and bodies low to the ground in the visual presence of pinnipeds.

(6) Conduct seabird observations at North Landing on SEFI in an observation blind, shielded from the view of hauled out pinnipeds.

(7) Crawl slowly to access seabird nest boxes on ANI if pinnipeds are within view.

(8) Coordinate research visits to intertidal areas of SEFI (to reduce potential take) and coordinate research goals for ANI to minimize the number of trips to the island.

(10) Coordinate monitoring schedules on ANI, so that areas near any pinnipeds would be accessed only once per visit.

(11) Operate motorboats slowly with caution during approaches to landing sites in order to avoid vessel strikes.

Based on our evaluation of the applicant's proposed measures, as well as other measures considered by NMFS, NMFS has determined that the prescribed mitigation measures provide the means effecting the least practicable impact on the affected species or stocks and their habitat, paying particular attention to rookeries, mating grounds, and areas of similar significance.

Monitoring and Reporting

In order to issue an IHA for an activity, Section 101(a)(5)(D) of the MMPA states that NMFS must set forth requirements pertaining to the monitoring and reporting of such taking. The MMPA implementing regulations at 50 CFR 216.104 (a)(13) indicate that requests for authorizations must include the suggested means of accomplishing the necessary monitoring and reporting that will result in increased knowledge of the species and of the level of taking or impacts on populations of marine mammals that are expected to be present in the proposed action area. Effective reporting is critical both to compliance as well as to ensuring that the most value is obtained from the required monitoring.

Monitoring and reporting requirements prescribed by NMFS should contribute to improved understanding of one or more of the following:

- Occurrence of marine mammal species or stocks in the area in which take is anticipated (*e.g.,* presence, abundance, distribution, density);
- Nature, scope, or context of likely marine mammal exposure to potential stressors/impacts (individual or cumulative, acute or chronic), through better understanding of: (1) Action or environment (*e.g.,* source characterization, propagation, ambient noise); (2) affected species (*e.g.,* life history, dive patterns); (3) co-occurrence of marine mammal species with the action; or (4) biological or behavioral context of exposure (*e.g.,* age, calving or feeding areas);
- Individual marine mammal responses (behavioral or physiological) to acoustic stressors (acute, chronic, or cumulative), other stressors, or cumulative impacts from multiple stressors;
- How anticipated responses to stressors impact either: (1) Long-term fitness and survival of individual marine mammals; or (2) populations, species, or stocks;
- Effects on marine mammal habitat (*e.g.,* marine mammal prey species, acoustic habitat, or other important physical components of marine mammal habitat); and
- Mitigation and monitoring effectiveness.

Point Blue will contribute to the knowledge of pinnipeds in California by noting observations of: (1) Unusual behaviors, numbers, or distributions of pinnipeds, such that any potential follow-up research can be conducted by the appropriate personnel; (2) tag-bearing pinnipeds or carcasses, allowing transmittal of the information to appropriate agencies and personnel; and (3) rare or unusual species of marine mammals for agency follow-up.

Required monitoring protocols for Point Blue include the following:

(1) Record of date, time, and location (or closest point of ingress) of each visit to the research site;

(2) Composition of the marine mammals sighted, such as species, gender and life history stage (*e.g.,* adult, sub-adult, pup);

(3) Information on the numbers (by species) of marine mammals observed during the activities;

(4) Estimated number of marine mammals (by species) that may have been harassed during the activities;

(5) Behavioral responses or modifications of behaviors that may be attributed to the specific activities and a description of the specific activities occurring during that time (*e.g.,* pedestrian approach, vessel approach); and

(6) Information on the weather, including the tidal state and horizontal visibility.

For consistency, any reactions by pinnipeds to researchers will be recorded according to a three-point scale shown in Table 3. Note that only observations of disturbance Levels 2 and 3 should be recorded as takes.

TABLE 3—LEVELS OF PINNIPED BEHAVIORAL DISTURBANCE

Level	Type of response	Definition
1	Alert	Seal head orientation or brief movement in response to disturbance, which may include turning head towards the disturbance, craning head and neck while holding the body rigid in a u-shaped position, changing from a lying to a sitting position, or brief movement of less than twice the animal's body length.
2*	Movement	Movements in response to the source of disturbance, ranging from short withdrawals at least twice the animal's body length to longer retreats over the beach, or if already moving a change of direction of greater than 90 degrees.
3*	Flush	All retreats (flushes) to the water.

*Only observations of disturbance Levels 2 and 3 are recorded as takes.

This information will be incorporated into a monitoring report for NMFS. The monitoring report will cover the period from January 1, 2017 through December 31, 2017. NMFS has requested that Point Blue submit annual monitoring report data on a calendar year schedule, regardless of the current IHA's initiation or expiration dates. This will ensure that data from all consecutive months will be collected and, therefore, can be analyzed to estimate authorized take for future IHA's regardless of the existing IHA's issuance date. Point Blue will submit a draft monitoring report to NMFS Office of Protected Resources by April 1, 2018. The draft report will include monitoring data collected between January 1, 2017 and December 31, 2017. A final report will be prepared and submitted within 30 days following resolution of any comments on the draft report from NMFS. If no comments are received from NMFS, the draft final report will be considered to be the final report. This report must contain the informational elements described above, at minimum.

Point Blue must also report observations of unusual pinniped behaviors, numbers, or distributions and tag-bearing carcasses to NMFS West Coast Region office.

If at any time the specified activity clearly causes the take of a marine mammal in a manner prohibited by this IHA, such as an injury (Level A harassment), serious injury, or mortality, Point Blue will immediately cease the specified activities and report the incident to the Office of Protected Resources, NMFS, and the West Coast Regional Stranding Coordinator, NMFS. The report must include the following information:

(1) Time and date of the incident;

(2) Description of the incident;

(3) Environmental conditions (*e.g.,* wind speed and direction, Beaufort sea state, cloud cover, and visibility);

(4) Description of all marine mammal observations in the 24 hours preceding the incident;

(5) Species identification or description of the animal(s) involved;

(6) Fate of the animal(s); and

(7) Photographs or video footage of the animal(s).

Activities will not resume until NMFS is able to review the circumstances of the prohibited take. NMFS will work with Point Blue to determine what measures are necessary to minimize the likelihood of further prohibited take and ensure MMPA compliance. Pt. Blue may not resume the activities until notified by NMFS.

In the event that an injured or dead marine mammal is discovered and it is determined that the cause of the injury or death is unknown and the death is relatively recent (*e.g.,* in less than a moderate state of decomposition), Point Blue will immediately report the incident to the Office of Protected Resources, NMFS, and the West Coast Regional Stranding Coordinator, NMFS. The report must include the same information identified in the paragraph above IHA. Activities may continue while NMFS reviews the circumstances of the incident. NMFS will work with Point Blue to determine whether additional mitigation measures or modifications to the activities are appropriate.

In the event that an injured or dead marine mammal is discovered and it is determined that the injury or death is not associated with or related to the activities authorized in the IHA (*e.g.,* previously wounded animal, carcass with moderate to advanced decomposition, or scavenger damage), Point Blue will report the incident to the Office of Protected Resources, NMFS, and the West Coast Regional Stranding Coordinator, NMFS, within 24 hours of the discovery. Point Blue will provide photographs or video footage or other documentation of the stranded animal sighting to NMFS. Activities may continue while NMFS reviews the circumstances of the incident.

Negligible Impact Analysis and Determination

NMFS has defined negligible impact as an impact resulting from the specified activity that cannot be reasonably expected to, and is not reasonably likely to, adversely affect the species or stock through effects on annual rates of recruitment or survival (50 CFR 216.103). A negligible impact finding is based on the lack of likely adverse effects on annual rates of recruitment or survival (*i.e.,* population-level effects). An estimate of the number of takes alone is not enough information on which to base an impact determination. In addition to considering estimates of the number of marine mammals that might be ''taken'' through harassment, NMFS considers other factors, such as the likely nature of any responses (*e.g.,* intensity, duration), the context of any responses (*e.g.,* critical reproductive time or location, migration), as well as effects on habitat, and the likely effectiveness of the mitigation. We also assess the number, intensity, and context of estimated takes by evaluating this information relative to population status. Consistent with the 1989 preamble for NMFS's implementing regulations (54 FR 40338; September 29, 1989), the impacts from other past and ongoing anthropogenic activities are incorporated into this analysis via their impacts on the environmental baseline (*e.g.,* as reflected in the regulatory status of the species, population size and growth rate where known, ongoing sources of human-caused mortality, or ambient noise levels).

To avoid repetition, the discussion of our analyses applies generally to the four species for which take is authorized, given that the anticipated effects of these surveys on marine mammals are expected to be relatively similar in nature. Where there are species-specific factors that have been considered, they are identified below.

For reasons stated previously in this document and based on the following factors, NMFS does not expect Point Blue's specified activities to cause long-term behavioral disturbance that would negatively impact an individual animal's fitness, or result in injury, serious injury, or mortality. Although

Point Blue's survey activities may disturb marine mammals, NMFS expects those impacts to occur to localized groups of animals at or near survey sites. Behavioral disturbance would be limited to short-term startle responses and localized behavioral changes due to the short duration (ranging from <15 minutes for visits at most locations up to 2–5 hours from April–August at SEFI) of the research activities. At some locations, where resupply activities occur, visits will occur once every two weeks. Minor and brief responses, such as short-duration startle reactions or flushing, are not likely to constitute disruption of behavioral patterns, such as migration, nursing, breeding, feeding, or sheltering. These short duration disturbances—in many cases animals will return in 30 minutes or less—will generally allow marine mammals to reoccupy haul-outs relatively quickly; therefore, these disturbances would not be anticipated to result in long-term disruption of important behaviors. No surveys will occur at or near rookeries as researchers will have limited access to SEFI, ANI, and PRNS during the pupping season and will not approach sites should pups be observed. Furthermore, breeding animals tend to be concentrated in areas that researchers are not scheduled to visit. Therefore, NMFS does not expect mother and pup separation or crushing of pups during stampedes.

Level B behavioral harassment of pinnipeds may occur during the operation of small motorboats. However, exposure to boats and associated engine noise would be brief and would not occur on a frequent basis. Results from studies demonstrate that pinnipeds generally return to their sites and do not permanently abandon haul-out sites after exposure to motorboats. The chance of a vessel strike is very low due to small boat size and slow transit speeds. Researchers will delay ingress into the landing areas until after the pinnipeds enter the water and will cautiously operate vessels at slow speeds.

In summary and as described above, the following factors support our determination that the impacts resulting from this activity are not expected to adversely affect the species or stock through effects on annual rates of recruitment or survival:

- No mortality is anticipated or authorized;
- Limited behavioral disturbance in the form of short-duration startle reactions or flushing Mitigation requirements employed by researchers (*e.g.,* move slowly, use hushed voices) should further decrease disturbance levels;
- No activity near rookeries and avoidance of pups; and
- Limited impact from boats due to their small size, maneuverability and the requirement to delay ingress until after hauled out pinnipeds have entered the water.

Based on the analysis contained herein of the likely effects of the specified activity on marine mammals and their habitat, and taking into consideration the implementation of the proposed monitoring and mitigation measures, NMFS finds that the total marine mammal take from the proposed activity will have a negligible impact on all affected marine mammal species or stocks.

Small Numbers

As noted above, only small numbers of incidental take may be authorized under Section 101(a)(5)(D) of the MMPA for specified activities other than military readiness activities. The MMPA does not define small numbers and so, in practice, NMFS compares the number of individuals taken to the most appropriate estimation of the relevant species or stock size in our determination of whether an authorization is limited to small numbers of marine mammals.

As mentioned previously, NMFS estimates that four marine mammal species could potentially be affected by Level B harassment under the authorization. For each species, these numbers are small relative to the population size. These incidental harassment numbers represent approximately 13.5 percent of the U.S. stock of California sea lion, 1.28 percent of the California stock of Pacific harbor seal, 0.11 percent of the California breeding stock of northern elephant seal, and 0.05 percent of the eastern distinct population segment of Steller sea lion. Note that the number of individual marine mammals taken is assumed to be less than the take estimate (number of exposures) since we assume that the same animals may be behaviorally harassed over multiple days.

TABLE 4—POPULATION ABUNDANCE ESTIMATES, TOTAL LEVEL B TAKE, AND PERCENTAGE OF POPULATION THAT MAY BE TAKEN

Species	Stock	Stock abundance	Total Level B take	Percentage of stock or population
California sea lion	U.S	296,750	40,140	13.5
Steller sea lion	Eastern U.S	71,562	36	0.05
Harbor seal	California	30,968	399	1.28
Northern elephant seal	California breeding stock	179,000	203	0.11

Based on the analysis contained herein of the proposed activity (including the proposed mitigation and monitoring measures) and the anticipated take of marine mammals, NMFS finds that small numbers of marine mammals will be taken relative to the population size of the affected species or stocks.

Unmitigable Adverse Impact Analysis and Determination

There are no relevant subsistence uses of the affected marine mammal stocks or species implicated by this action. Therefore, NMFS has determined that the total taking of affected species or stocks would not have an unmitigable adverse impact on the availability of such species or stocks for taking for subsistence purposes.

Endangered Species Act (ESA)

Issuance of an MMPA authorization requires compliance with the ESA. No incidental take of ESA-listed species is authorized or expected to result from this activity. Therefore, NMFS has determined that formal consultation under section 7 of the ESA is not required for this action.

National Environmental Policy Act (NEPA)

To comply with the National Environmental Policy Act of 1969 (NEPA; 42 U.S.C. 4321 *et seq.*) and NOAA Administrative Order (NAO) 216–6A, NMFS must review our proposed action with respect to environmental consequences on the human environment.

Accordingly, NMFS has determined that the issuance of the IHA qualifies to be categorically excluded from further NEPA review. This action is consistent with categories of activities identified in CE B4 of the Companion Manual for NOAA Administrative Order 216–6A, which do not individually or cumulatively have the potential for significant impacts on the quality of the human environment and for which we have not identified any extraordinary circumstances that would preclude this categorical exclusion.

Authorization

NMFS has issued an IHA to Point Blue for the potential harassment of small numbers of marine mammals incidental to seabird research activities in central California, provided the previously mentioned mitigation, monitoring and reporting.

Dated: July 5, 2017.

Donna S. Wieting,

Director, Office of Protected Resources, National Marine Fisheries Service.

[FR Doc. 2017–14390 Filed 7–7–17; 8:45 am]

BILLING CODE 3510–22–P

DEPARTMENT OF DEFENSE

Office of the Secretary

Board of Regents, Uniformed Services University of the Health Sciences; Notice of Federal Advisory Committee Meeting

AGENCY: Under Secretary of Defense for Personnel and Readiness, Department of Defense.

ACTION: Notice of Federal Advisory Committee meeting.

SUMMARY: The Department of Defense (DoD) is publishing this notice to announce that the following Federal Advisory Committee meeting of the Board of Regents (Board), Uniformed Services University of the Health Sciences (University) will take place.

DATES: Open Session will occur on Tuesday, August 1, 2017 from 8:00 a.m. until 10:25 a.m. Closed Session will occur on Tuesday, August 1, 2017 from 10:30 a.m. until 11:00 a.m.

ADDRESSES: The August 1, 2017 meeting will occur at the Uniformed Services University of the Health Sciences, 4301 Jones Bridge Road, Everett Alvarez Jr. Board of Regents Room (D3001), Bethesda, Maryland 20814.

FOR FURTHER INFORMATION CONTACT: Jennifer Nuetzi James, 301–295–3066 (Voice), 301–295–1960 (Facsimile), *jennifer.nuetzi-james@usuhs.edu* (Email). Mailing address is 4301 Jones Bridge Road, A1020, Bethesda, Maryland 20814. Web site: *https://www.usuhs.edu/vpe/bor*.

SUPPLEMENTARY INFORMATION: This meeting is being held under the provisions of the Federal Advisory Committee Act (FACA) of 1972 (5 U.S.C., Appendix, as amended), the Government in the Sunshine Act of 1976 (5 U.S.C. 552b, as amended), and 41 CFR 102–3.140 and 102–3.150.

Purpose of the Meeting: The purpose of the meeting of the Board is to provide advice and recommendations to the Secretary of Defense, through the Under Secretary of Defense for Personnel and Readiness, on academic and administrative matters critical to the full accreditation and successful operation of the University. These actions are necessary for the University to pursue its mission, which is to educate, train and comprehensively prepare uniformed services health professionals, officers, scientists and leaders to support the Military and Public Health Systems, the National Security and National Defense Strategies of the United States, and the readiness of our Uniformed Services.

Agenda: The actions scheduled to occur include the review of the minutes from the Board meeting held on May 19, 2017; recommendations regarding the awarding of post-baccalaureate degrees; recommendations regarding the approval of faculty appointments and promotions; and recommendations regarding award nominations. The University President will provide a report on recent actions affecting academic and operational aspects of the University. Member reports will include an Academics Summary consisting of reports from the Dean of the F. Edward Hébert School of Medicine, Dean of the Daniel K. Inouye Graduate School of Nursing, Executive Dean of the Postgraduate Dental College, Dean of the College of Allied Health Sciences, and the Vice President for Research. Member Reports will also include a Finance and Administration Summary consisting of reports from the Senior Vice President, Southern Region; Senior Vice President, Western Region; Vice President for Finance and Administration; University Brigade Commander; and University General Counsel. There will be reports from the Armed Forces Radiobiology Research Institute and the University Faculty Senate. There will also be reports on the University Strategic Framework, Council of University Centers and the University Organizational Structure. A closed session will be held, after the open session, to discuss active investigations and personnel actions.

Meeting Accessibility: Pursuant to Federal statutes and regulations (5 U.S.C., Appendix, 5 U.S.C. 552b, and 41 CFR 102–3.140 through 102–3.165) and the availability of space, the meeting is open to the public from 8:00 a.m. to 10:25 a.m. Seating is on a first-come basis. Members of the public wishing to attend the meeting should contact Jennifer Nuetzi James, Designated Federal Officer, no later than five business days prior to the meeting, at 4301 Jones Bridge Road, A1020, Bethesda, Maryland 20814; telephone 301–295–3066; email *jennifer.nuetzi-james@usuhs.edu.* Pursuant to 5 U.S.C. 552b(c)(2, 5–7), the Department of Defense has determined that the portion of the meeting from 10:30 a.m. to 11:00 a.m. shall be closed to the public. The Under Secretary of Defense (Personnel and Readiness), in consultation with the Office of the Department of Defense General Counsel, has determined in writing that this portion of the Board's meeting will be closed as the discussion will disclose sensitive personnel information, will include matters that relate solely to the internal personnel rules and practices of the agency, will involve allegations of a person having committed a crime or censuring an individual, and may disclose investigatory records compiled for law enforcement purposes.

Written Statements: Pursuant to section 10(a)(3) of the Federal Advisory Committee Act of 1972 and 41 CFR 102–3.140, the public or interested organizations may submit written comments to the Board about its approved agenda pertaining to this meeting or at any time regarding the Board's mission. Individuals submitting a written statement must submit their statement to the Designated Federal Officer at *jennifer.nuetzi-james@usuhs.edu.* Written statements that do not pertain to a scheduled meeting of the Board may be submitted at any time. However, if individual comments pertain to a specific topic being discussed at the planned meeting, then these statements must be received at least 5 calendar days prior to the meeting; otherwise, the comments may not be provided to or considered by the

Board until a later date. The Designated Federal Officer will compile all timely submissions with the Board's Chair and ensure such submissions are provided to Board Members before the meeting.

Dated: July 3, 2017.

Aaron Siegel,

Alternate OSD Federal Register Liaison Officer, Department of Defense.

[FR Doc. 2017–14356 Filed 7–7–17; 8:45 am]

BILLING CODE 5001–06–P

DEPARTMENT OF ENERGY

Environmental Management Site-Specific Advisory Board, Northern New Mexico

AGENCY: Department of Energy.

ACTION: Notice of Open meeting.

SUMMARY: This notice announces a meeting of the Environmental Management Site-Specific Advisory Board (EM SSAB), Northern New Mexico. The Federal Advisory Committee Act (Pub. L. 92–463, 86 Stat. 770) requires that public notice of this meeting be announced in the **Federal Register**.

DATES: Wednesday, July 26, 2017 1:00 p.m.–5:15 p.m.

ADDRESSES: Santa Fe Community College, Jemez Complex, 6401 Richards Avenue, Santa Fe, New Mexico 87508.

FOR FURTHER INFORMATION CONTACT: Menice Santistevan, Northern New Mexico Citizens' Advisory Board (NNMCAB), 94 Cities of Gold Road, Santa Fe, NM 87506. Phone (505) 995–0393; Fax (505) 989–1752 or Email: *Menice.Santistevan@em.doe.gov.*

SUPPLEMENTARY INFORMATION:

Purpose of the Board: The purpose of the Board is to make recommendations to DOE–EM and site management in the areas of environmental restoration, waste management, and related activities.

Tentative Agenda

- Call to Order
- Welcome and Introductions
- Approval of Agenda and Meeting Minutes of May 17, 2017
- Old Business
- New Business
- Update from Co-Deputy Designated Federal Officers and Executive Director
- Presentation from New Mexico Environment Department, Oversight Bureau
- Break
- Presentation on Radioactive Waste Units and Measure
- Public Comment Period
- Updates from EM Los Alamos Field Office and New Mexico Environment Department
- Wrap-Up Comments from NNMCAB Members
- Adjourn

Public Participation: The EM SSAB, Northern New Mexico, welcomes the attendance of the public at its advisory committee meetings and will make every effort to accommodate persons with physical disabilities or special needs. If you require special accommodations due to a disability, please contact Menice Santistevan at least seven days in advance of the meeting at the telephone number listed above. Written statements may be filed with the Board either before or after the meeting. Individuals who wish to make oral statements pertaining to agenda items should contact Menice Santistevan at the address or telephone number listed above. Requests must be received five days prior to the meeting and reasonable provision will be made to include the presentation in the agenda. The Deputy Designated Federal Officer is empowered to conduct the meeting in a fashion that will facilitate the orderly conduct of business. Individuals wishing to make public comments will be provided a maximum of five minutes to present their comments.

Minutes: Minutes will be available by writing or calling Menice Santistevan at the address or phone number listed above. Minutes and other Board documents are on the Internet at: *http://energy.gov/em/nnmcab/northern-new-mexico-citizens-advisory-board.*

Issued at Washington, DC, on July 3, 2017.

LaTanya R. Butler,

Deputy Committee Management Officer.

[FR Doc. 2017–14392 Filed 7–7–17; 8:45 am]

BILLING CODE 6405–01–P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

Combined Notice of Filings #2

Take notice that the Commission received the following electric rate filings:

Docket Numbers: ER10–2253–014; ER10–3319 018.

Applicants: Astoria Energy LLC, Astoria Energy II LLC.

Description: Joint MBR Triennial of Astoria Energy LLC, et al.

Filed Date: 6/29/17.

Accession Number: 20170629–5261.

Comments Due: 5 p.m. ET 8/28/17.

Docket Numbers: ER10–2480–010.

Applicants: Berkshire Power Company, LLC.

Description: Triennial MBR Filing of Berkshire Power Company, LLC.

Filed Date: 6/29/17.

Accession Number: 20170629–5271.

Comments Due: 5 p.m. ET 8/28/17.

Docket Numbers: ER10–2527–004; ER10–1595 008; ER10–1598–008; ER10–1616–008; ER10–1618–008; ER10–2532–010; ER10–2533–004; ER10–2535–005; ER10–2960–007; ER10–3168–021; ER15–356–007; ER15–357–007; ER17–1636–002.

Applicants: Allegheny Ridge Wind Farm, LLC, ArcLight Energy Marketing, LLC, Astoria Generating Company, L.P., Chief Conemaugh Power, LLC, Chief Keystone Power, LLC, Crescent Ridge LLC, Crete Energy Venture, LLC, Great River Hydro, LLC, GSG, LLC, Lincoln Generating Facility, LLC, Mendota Hills, LLC, New Covert Generating Company, LLC, Rolling Hills Generating, L.L.C.

Description: Updated Market Power Analysis for the Northeast Region of Allegheny Ridge Wind Farm, LLC, et al.

Filed Date: 6/29/17.

Accession Number: 20170629–5259.

Comments Due: 5 p.m. ET 8/28/17.

Docket Numbers: ER10–2906–009; ER10–2908–009; ER10–2910–009; ER11–4669–003; ER11–4670–003; ER12–709–002.

Applicants: Morgan Stanley Capital Group Inc., MS Solar Solutions Corp., Power Contract Financing II, L.L.C., NaturEner Montana Wind Energy, LLC, NaturEner Power Watch, LLC, NaturEner Wind Watch, LLC.

Description: Updated Market Power Analysis for the Northeast Region of the Morgan Stanley Public Utilities, et al.

Filed Date: 6/29/17.

Accession Number: 20170629–5267.

Comments Due: 5 p.m. ET 8/28/17.

Docket Numbers: ER10–2924–011.

Applicants: Kleen Energy Systems, LLC.

Description: MBR Triennial Filing of Kleen Energy Systems, LLC.

Filed Date: 6/29/17.

Accession Number: 20170629–5273.

Comments Due: 5 p.m. ET 8/28/17.

Docket Numbers: ER11–4436–003; ER11–2724–005; ER10–2502–004; ER10–2473–004; ER10–2472–004.

Applicants: Black Hills Power, Inc., Cheyenne Light Fuel & Power Company, Black Hills/Colorado Electric Utility Co, Black Hills Wyoming, LLC, Black Hills Colorado IPP, LLC.

Description: Supplement to June 30, 2016 Updated Market Power Analysis of the Black Hills MBR Sellers for the Northwest Region.

Filed Date: 6/29/17.

Accession Number: 20170629–5270.

Comments Due: 5 p.m. ET 7/20/17.

Docket Numbers: ER12–1195–003; ER10–2310–004; ER10–2311–004; ER10–2312–004; ER10–2314–004; ER14–2486–001; ER15–595–001; ER15–924–001; ER15–926–001; ER15–927–001.

Applicants: Camden County Energy Recovery Associates, L.P., Covanta Delaware Valley, L.P., Covanta Energy Marketing LLC, Covanta Essex Company, Covanta Fairfax, Inc., Covanta Haverhill Associates, LLC, Covanta Hempstead Company, Covanta Niagara I, LLC, Covanta Plymouth Renewable Energy, LLC, Covanta Union, LLC.

Description: Updated Market Power Analysis for the Northeast Region of the Covanta Northeast MBR Sellers.

Filed Date: 6/29/17.

Accession Number: 20170629–5275.

Comments Due: 5 p.m. ET 8/28/17.

Docket Numbers: ER17–1963–000.

Applicants: Duke Energy Progress, LLC.

Description: Market-Based Triennial Review Filing: Southeast Triennial Filing 2017 to be effective 7/1/2017.

Filed Date: 6/30/17.

Accession Number: 20170630–5011.

Comments Due: 5 p.m. ET 8/29/17.

Docket Numbers: ER17–1964–000.

Applicants: Duke Energy Progress, LLC.

Description: Market-Based Triennial Review Filing: Southeast Triennial 2017 (Corrected) to be effective 8/31/2017.

Filed Date: 6/30/17.

Accession Number: 20170630–5065.

Comments Due: 5 p.m. ET 8/29/17.

Docket Numbers: ER17–1965–000.

Applicants: MidAmerican Energy Company.

Description: Compliance filing: Market-Based Rate Tariff to be effective 7/1/2017.

Filed Date: 6/30/17.

Accession Number: 20170630–5067.

Comments Due: 5 p.m. ET 7/21/17.

Docket Numbers: ER17–1966–000.

Applicants: MidAmerican Energy Services, LLC.

Description: Compliance filing: Market-Based Rate Tariff to be effective 7/1/2017.

Filed Date: 6/30/17.

Accession Number: 20170630–5068.

Comments Due: 5 p.m. ET 7/21/17.

Docket Numbers: ER17–1967–000.

Applicants: Duke Energy Carolinas, LLC.

Description: Market-Based Triennial Review Filing: Southeast Triennial Filing 2017 to be effective 7/1/2017.

Filed Date: 6/30/17.

Accession Number: 20170630–5071.

Comments Due: 5 p.m. ET 8/29/17.

Docket Numbers: ER17–1968–000.

Applicants: Duke Energy Beckjord, LLC.

Description: Market-Based Triennial Review Filing: Southeast Triennial Filing 2017 to be effective 7/1/2017.

Filed Date: 6/30/17.

Accession Number: 20170630–5073.

Comments Due: 5 p.m. ET 8/29/17.

Docket Numbers: ER17–1969–000.

Applicants: Indiana Michigan Power Company, PJM Interconnection, L.L.C.

Description: § 205(d) Rate Filing: Indiana Michigan submits Preliminary Development Agreement No. 4738 to be effective 6/9/2017.

Filed Date: 6/30/17.

Accession Number: 20170630–5075.

Comments Due: 5 p.m. ET 7/21/17.

Docket Numbers: ER17–1970–000.

Applicants: Duke Energy Commercial Enterprises, Inc.

Description: Market-Based Triennial Review Filing: Southeast Triennial Filing 2017 to be effective 7/1/2017.

Filed Date: 6/30/17.

Accession Number: 20170630–5076.

Comments Due: 5 p.m. ET 8/29/17.

Docket Numbers: ER17–1971–000.

Applicants: Duke Energy Florida, LLC.

Description: Market-Based Triennial Review Filing: Southeast Triennial Filing 2017 to be effective 7/1/2017.

Filed Date: 6/30/17.

Accession Number: 20170630–5078.

Comments Due: 5 p.m. ET 8/29/17.

Docket Numbers: ER17–1972–000.

Applicants: Duke Energy Renewable Services, LLC.

Description: Market-Based Triennial Review Filing: Southeast Triennial Filing 2017 to be effective 7/1/2017.

Filed Date: 6/30/17.

Accession Number: 20170630–5089.

Comments Due: 5 p.m. ET 8/29/17.

Docket Numbers: ER17–1973–000.

Applicants: Duke Energy SAM, LLC.

Description: Market-Based Triennial Review Filing: Southeast Triennial Filing 2017 to be effective 8/31/2017.

Filed Date: 6/30/17.

Accession Number: 20170630–5091.

Comments Due: 5 p.m. ET 8/29/17.

Docket Numbers: ER17–1974–000.

Applicants: PJM Interconnection, L.L.C.

Description: § 205(d) Rate Filing: Wholesale Market Participation Agreement No. 4742; Queue No. AC1–045 to be effective 6/28/2017.

Filed Date: 6/30/17.

Accession Number: 20170630–5109.

Comments Due: 5 p.m. ET 7/21/17.

Docket Numbers: ER17–1975–000.

Applicants: PJM Interconnection, L.L.C.

Description: § 205(d) Rate Filing: Wholesale Market Participation Agreement No. 4743; Queue No. AC1–046 to be effective 6/28/2017.

Filed Date: 6/30/17.

Accession Number: 20170630–5142.

Comments Due: 5 p.m. ET 7/21/17.

Docket Numbers: ER17–1976–000.

Applicants: Helix Ironwood, LLC.

Description: § 205(d) Rate Filing: Notice of Succession for Reactive Service Rate Schedule to be effective 6/2/2017.

Filed Date: 6/30/17.

Accession Number: 20170630–5143.

Comments Due: 5 p.m. ET 7/21/17.

Docket Numbers: ER17–1977–000.

Applicants: PJM Interconnection, L.L.C.

Description: § 205(d) Rate Filing: Amendment to Service Agreement No. 2961, Queue No. P11 to be effective 6/15/2011.

Filed Date: 6/30/17.

Accession Number: 20170630–5144.

Comments Due: 5 p.m. ET 7/21/17.

Docket Numbers: ER17–1978–000.

Applicants: PJM Interconnection, L.L.C.

Description: § 205(d) Rate Filing: Wholesale Market Participation Agreement No. 4744; Queue No. AC1–047 to be effective 6/28/2017.

Filed Date: 6/30/17.

Accession Number: 20170630–5152.

Comments Due: 5 p.m. ET 7/21/17.

Docket Numbers: ER17–1979–000.

Applicants: Southwest Power Pool, Inc.

Description: § 205(d) Rate Filing: 2415R7 Kansas Municipal Energy Agency NITSA and NOA to be effective 9/1/2017.

Filed Date: 6/30/17.

Accession Number: 20170630–5169.

Comments Due: 5 p.m. ET 7/21/17.

Docket Numbers: ER17–1980–000.

Applicants: Southern California Edison Company.

Description: § 205(d) Rate Filing: Amended Service Agreement City of Banning Service Agreement No. 3 to be effective 9/1/2017.

Filed Date: 6/30/17.

Accession Number: 20170630–5189.

Comments Due: 5 p.m. ET 7/21/17.

Docket Numbers: ER17–1981–000.

Applicants: Big Savage, LLC.

Description: § 205(d) Rate Filing: Market-Based Rate Tariff Updates to be effective 8/28/2017.

Filed Date: 6/30/17.

Accession Number: 20170630–5203.

Comments Due: 5 p.m. ET 7/21/17.

Docket Numbers: ER17–1982–000.

Applicants: Big Sky Wind, LLC.

Description: § 205(d) Rate Filing: Market-Based Rate Tariff Updates to be effective 8/28/2017.

Filed Date: 6/30/17.
Accession Number: 20170630–5207.
Comments Due: 5 p.m. ET 7/21/17.
Docket Numbers: ER17–1983–000.
Applicants: EverPower Commercial Services LLC.
Description: § 205(d) Rate Filing: Market-Based Rate Tariff Updates to be effective 8/28/2017.
Filed Date: 6/30/17.
Accession Number: 20170630–5209.
Comments Due: 5 p.m. ET 7/21/17.
Docket Numbers: ER17–1984–000.
Applicants: Highland North LLC.
Description: § 205(d) Rate Filing: Market-Based Rate Tariff Updates to be effective 8/28/2017.
Filed Date: 6/30/17.
Accession Number: 20170630–5210.
Comments Due: 5 p.m. ET 7/21/17.
Docket Numbers: ER17–1985–000.
Applicants: Howard Wind LLC.
Description: § 205(d) Rate Filing: Market-Based Rate Tariff Updates to be effective 8/28/2017.
Filed Date: 6/30/17.
Accession Number: 20170630–5211.
Comments Due: 5 p.m. ET 7/21/17.

Take notice that the Commission received the following electric securities filings:

Docket Numbers: ES17–35–000.
Applicants: Northern Indiana Public Service Company.
Description: Supplement to June 9, 2017 Application for Authorization to Issue Short-Term Debt of Northern Indiana Public Service Company.
Filed Date: 6/29/17.
Accession Number: 20170629–5252.
Comments Due: 5 p.m. ET 7/6/17.

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: June 30, 2017.

Kimberly D. Bose,

Secretary.

[FR Doc. 2017–14330 Filed 7–7–17; 8:45 am]

BILLING CODE 6717–01–P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Project No. 14698–001]

Shenango Dam Hydroelectric Company, LLC; Notice of Surrender of Preliminary Permit

Take notice that Shenango Dam Hydroelectric Company, LLC, permittee for the proposed Shenango Hydroelectric Project, has requested that its preliminary permit be terminated. The permit was issued on December 2, 2015, and would have expired on November 30, 2018.[1] The project would have been located at the U.S. Army Corps of Engineers' Shenango dam on the Shenango River, near the Borough of Sharpsburg, Mercer County, Pennsylvania.

The preliminary permit for Project No. 14698 will remain in effect until the close of business, July 30, 2017. But, if the Commission is closed on this day, then the permit remains in effect until the close of business on the next day in which the Commission is open.[2] New applications for this site may not be submitted until after the permit surrender is effective.

Dated: June 30, 2017.

Kimberly D. Bose,

Secretary.

[FR Doc. 2017–14336 Filed 7–7–17; 8:45 am]

BILLING CODE 6717–01–P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Project No. 13102–003]

Birch Power Company; Notice of Availability of Draft Environmental Assessment

In accordance with the National Environmental Policy Act of 1969 and the Federal Energy Regulatory Commission's (Commission or FERC) regulations, 18 Code of Federal Regulations Part 380, Office of Energy Projects staff has reviewed the application for original license for the Demopolis Lock and Dam Hydroelectric Project (FERC No. 13102–003) on the Tombigbee River.

The Demopolis Lock and Dam Hydroelectric Project would be located at an existing lock and dam owned by the U.S. Army Corps of Engineers on the Tombigbee River, west of the city of Demopolis in Marengo and Sumter Counties, Alabama. The project would occupy 23 acres of federal land.

Staff has prepared this draft environmental assessment (draft EA) that analyzes the potential environmental effects of the project and concludes that constructing and operating the project, with appropriate environmental protection measures, would not constitute a major federal action that would significantly affect the quality of the human environment.

A copy of the draft EA is available for review at the Commission in the Public Reference Room or may be viewed on the Commission's Web site at *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 Online Support at *FERCOnlineSupport@ferc.gov* or toll-free at 1–866–208–3676, or for TTY, (202) 502–8659.

You may also register online at *http://www.ferc.gov/docs-filing/esubscription.asp* to be notified via email of new filings and issuances related to this or other pending projects. For assistance, contact FERC Online Support.

Any comments should be filed within 30 days from the date of this notice. The Commission strongly encourages electronic filing. Please file comments using the Commission's eFiling system at *http://www.ferc.gov/docs-filing/efiling.asp.* 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. In lieu of electronic filing, please send a paper copy to: Secretary, Federal Energy Regulatory Commission, 888 First Street NE., Washington, DC 20426. The first page of any filing should include: ''Demopolis Lock and Dam Hydroelectric Project No. 13102–003.''

For further information, contact Adam Peer at (202) 502–8449 or by email at *adam.peer@ferc.gov.*

Dated: June 29, 2017.

Kimberly D. Bose,

Secretary.

[FR Doc. 2017–14335 Filed 7–7–17; 8:45 am]

BILLING CODE 6717–01–P

[1] 153 FERC ¶ 62,155 (2015).

[2] 18 CFR 385.2007(a)(2) (2016).

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

Combined Notice of Filings #3

Take notice that the Commission received the following electric rate filings:

Docket Numbers: ER10–1484–015.
Applicants: Shell Energy North America (US), L.P.
Description: Updated Market Power Analysis for the Northeast Region of Shell Energy North America (US), L.P.
Filed Date: 6/29/17.
Accession Number: 20170629–5277.
Comments Due: 5 p.m. ET 8/28/17.

Docket Numbers: ER10–2718–027; ER10–2719–026; ER14–2498–006; ER14–2500–006.
Applicants: Cogen Technologies Linden Venture, L.P., East Coast Power Linden Holding, L.L.C., Newark Energy Center, LLC, EIF Newark, LLC.
Description: Joint Triennial MBR Update and Notice of Non-Material Change in Status of Cogen Technologies Linden Venture, L.P., et al.
Filed Date: 6/29/17.
Accession Number: 20170629–5281.
Comments Due: 5 p.m. ET 8/28/17.

Docket Numbers: ER10–2959–011; ER10–2934–010.
Applicants: Chambers Cogeneration, Limited Partnership, Logan Generating Company, LP.
Description: MBR Triennial Filing of Chambers Cogeneration, Limited Partnership, et al.
Filed Date: 6/29/17.
Accession Number: 20170629–5283.
Comments Due: 5 p.m. ET 8/28/17.

Docket Numbers: ER10–3195–005; ER10–3194–005.
Applicants: MATEP Limited Partnership, MATEP LLC.
Description: Updated Market Power Analysis for the Northeast Region of MATEP Limited Partnership, et al.
Filed Date: 6/29/17.
Accession Number: 20170629–5280.
Comments Due: 5 p.m. ET 8/28/17.

Docket Numbers: ER11–2041–012; ER10–3193–011; ER11–2042–012.
Applicants: Brooklyn Navy Yard Cogeneration Partners, L.P., Innovative Energy Systems, LLC, Seneca Energy II, LLC.
Description: Joint MBR Triennial and Notice of Non-Material Change in Status of Innovative Energy Systems, LLC, et al.
Filed Date: 6/29/17.
Accession Number: 20170629–5278.
Comments Due: 5 p.m. ET 8/28/17.

Docket Numbers: ER17–1556–001.
Applicants: Midcontinent Independent System Operator, Inc.
Description: Tariff Amendment: 2017–06–30_Deficiency Response to Data Sharing with Natural Gas Pipelines to be effective 7/5/2017.
Filed Date: 6/30/17.
Accession Number: 20170630–5290.
Comments Due: 5 p.m. ET 7/21/17.

Docket Numbers: ER17–1986–000.
Applicants: Krayn Wind LLC.
Description: § 205(d) Rate Filing: Market-Based Rate Tariff Updates to be effective 8/28/2017.
Filed Date: 6/30/17.
Accession Number: 20170630–5212.
Comments Due: 5 p.m. ET 7/21/17.

Docket Numbers: ER17–1987–000.
Applicants: Mustang Hills, LLC.
Description: § 205(d) Rate Filing: Market-Based Rate Tariff Updates to be effective 8/28/2017.
Filed Date: 6/30/17.
Accession Number: 20170630–5213.
Comments Due: 5 p.m. ET 7/21/17.

Docket Numbers: ER17–1988–000.
Applicants: Patton Wind Farm, LLC.
Description: § 205(d) Rate Filing: Market-Based Rate Tariff Updates to be effective 8/28/2017.
Filed Date: 6/30/17.
Accession Number: 20170630–5214.
Comments Due: 5 p.m. ET 7/21/17.

Docket Numbers: ER17–1989–000.
Applicants: Bishop Hill Energy II LLC.
Description: Compliance filing: Bishop Hill Energy II Order No. 819 Compliance Filing to be effective 7/1/2017.
Filed Date: 6/30/17.
Accession Number: 20170630–5215.
Comments Due: 5 p.m. ET 7/21/17.

Docket Numbers: ER17–1990–000.
Applicants: Vulcan/BN Geothermal Power Company.
Description: Compliance filing: Vulcan-BN Geothermal Order No. 819 Compliance Filing to be effective 7/1/2017.
Filed Date: 6/30/17.
Accession Number: 20170630–5216.
Comments Due: 5 p.m. ET 7/21/17.

Docket Numbers: ER17–1991–000.
Applicants: Cordova Energy Company LLC.
Description: Compliance filing: Cordova Order No. 819 Compliance Filing to be effective 7/1/2017.
Filed Date: 6/30/17.
Accession Number: 20170630–5217.
Comments Due: 5 p.m. ET 7/21/17.

Docket Numbers: ER17–1992–000.
Applicants: Pinyon Pines Wind I, LLC.
Description: Compliance filing: Pinyon Pines I Order No. 819 Compliance Filing to be effective 7/1/2017.
Filed Date: 6/30/17.
Accession Number: 20170630–5218.
Comments Due: 5 p.m. ET 7/21/17.

Docket Numbers: ER17–1993–000.
Applicants: Pinyon Pines Wind II, LLC.
Description: Compliance filing: Pinyon Pines II Order No. 819 Compliance Filing to be effective 7/1/2017.
Filed Date: 6/30/17.
Accession Number: 20170630–5219.
Comments Due: 5 p.m. ET 7/21/17.

Docket Numbers: ER17–1994–000.
Applicants: Salton Sea Power Generation Company.
Description: Compliance filing: Salton Sea Power Gen Order No. 819 Compliance Filing to be effective 7/1/2017.
Filed Date: 6/30/17.
Accession Number: 20170630–5220.
Comments Due: 5 p.m. ET 7/21/17.

Docket Numbers: ER17–1995–000.
Applicants: Salton Sea Power L.L.C.
Description: Compliance filing: Salton Sea Power LLC Order No. 819 Compliance Filing to be effective 7/1/2017.
Filed Date: 6/30/17.
Accession Number: 20170630–5223.
Comments Due: 5 p.m. ET 7/21/17.

Docket Numbers: ER17–1996–000.
Applicants: Solar Star California XIX, LLC.
Description: Compliance filing: Solar Star XIX Order No. 819 Compliance Filing to be effective 7/1/2017.
Filed Date: 6/30/17.
Accession Number: 20170630–5229.
Comments Due: 5 p.m. ET 7/21/17.

Docket Numbers: ER17–1997–000.
Applicants: Solar Star California XX, LLC.
Description: Compliance filing: Solar Star XX Order No. 819 Compliance Filing to be effective 7/1/2017.
Filed Date: 6/30/17.
Accession Number: 20170630–5230.
Comments Due: 5 p.m. ET 7/21/17.

Docket Numbers: ER17–1998–000.
Applicants: Topaz Solar Farms LLC.
Description: Compliance filing: Topaz Solar Farms Order No. 819 Compliance Filing to be effective 7/1/2017.
Filed Date: 6/30/17.
Accession Number: 20170630–5231.
Comments Due: 5 p.m. ET 7/21/17.

Docket Numbers: ER17–1999–000.
Applicants: CalEnergy, LLC.
Description: Compliance filing: CalEnergy Order No. 819 Compliance Filing to be effective 7/1/2017.
Filed Date: 6/30/17.
Accession Number: 20170630–5232.

Comments Due: 5 p.m. ET 7/21/17.

Docket Numbers: ER17–2000–000.

Applicants: CE Leathers Company.

Description: Compliance filing: CE Leathers Order No. 819 Compliance Filing to be effective 7/1/2017.

Filed Date: 6/30/17.

Accession Number: 20170630–5233.

Comments Due: 5 p.m. ET 7/21/17.

Docket Numbers: ER17–2001–000.

Applicants: Del Ranch Company.

Description: Compliance filing: Del Ranch Order No. 819 Compliance Filing to be effective 7/1/2017.

Filed Date: 6/30/17.

Accession Number: 20170630–5234.

Comments Due: 5 p.m. ET 7/21/17.

Docket Numbers: ER17–2002–000.

Applicants: Elmore Company.

Description: Compliance filing: Elmore Order No. 819 Compliance Filing to be effective 7/1/2017.

Filed Date: 6/30/17.

Accession Number: 20170630–5235.

Comments Due: 5 p.m. ET 7/21/17.

Docket Numbers: ER17–2003–000.

Applicants: Fish Lake Power LLC.

Description: Compliance filing: Fish Lake Order No. 819 Compliance Filing to be effective 7/1/2017.

Filed Date: 6/30/17.

Accession Number: 20170630–5236.

Comments Due: 5 p.m. ET 7/21/17.

Docket Numbers: ER17–2004–000.

Applicants: Yuma Cogeneration Associates.

Description: Compliance filing: Yuma Cogeneration Order No. 819 Compliance Filing to be effective 7/1/2017.

Filed Date: 6/30/17.

Accession Number: 20170630–5237.

Comments Due: 5 p.m. ET 7/21/17.

Docket Numbers: ER17–2005–000.

Applicants: Marshall Wind Energy LLC.

Description: Compliance filing: Marshall Wind Order No. 819 Compliance Filing to be effective 7/1/2017.

Filed Date: 6/30/17.

Accession Number: 20170630–5238.

Comments Due: 5 p.m. ET 7/21/17.

Docket Numbers: ER17–2006–000.

Applicants: Grande Prairie Wind, LLC.

Description: Compliance filing: Grande Praire Wind Order No. 819 Compliance Filing to be effective 7/1/2017.

Filed Date: 6/30/17.

Accession Number: 20170630–5239.

Comments Due: 5 p.m. ET 7/21/17.

Docket Numbers: ER17–2007–000.

Applicants: PacifiCorp.

Description: Compliance filing: PacifiCorp Order No. 819 Compliance Filing to be effective 7/1/2017.

Filed Date: 6/30/17.

Accession Number: 20170630–5240.

Comments Due: 5 p.m. ET 7/21/17.

Docket Numbers: ER17–2008–000.

Applicants: Pure Energy USA, LLC.

Description: Baseline eTariff Filing: Market-Based Rate Tariff Application to be effective 7/1/2017.

Filed Date: 6/30/17.

Accession Number: 20170630–5245.

Comments Due: 5 p.m. ET 7/21/17.

Docket Numbers: ER17–2009–000.

Applicants: Tucson Electric Power Company.

Description: § 205(d) Rate Filing: Concurrence to APS RS No. 288 (TEP RS No. 337) to be effective 8/2/2017.

Filed Date: 6/30/17.

Accession Number: 20170630–5256.

Comments Due: 5 p.m. ET 7/21/17.

Docket Numbers: ER17–2010–000.

Applicants: Arizona Public Service Company.

Description: § 205(d) Rate Filing: Service Agreement Nos. 174 and 359 to be effective 6/1/2017.

Filed Date: 6/30/17.

Accession Number: 20170630–5258.

Comments Due: 5 p.m. ET 7/21/17.

Docket Numbers: ER17–2011–000.

Applicants: Castleton Commodities Merchant Trading L.P.

Description: Market-Based Triennial Review Filing: Triennial Filing 2017 to be effective 7/1/2017.

Filed Date: 6/30/17.

Accession Number: 20170630–5260.

Comments Due: 5 p.m. ET 8/29/17.

Docket Numbers: ER17–2012–000.

Applicants: Rensselaer Generating LLC.

Description: Market-Based Triennial Review Filing: Triennial Filing 2017 to be effective 7/1/2017.

Filed Date: 6/30/17.

Accession Number: 20170630–5262.

Comments Due: 5 p.m. ET 8/29/17.

Docket Numbers: ER17–2013–000.

Applicants: Collegiate Clean Energy, LLC.

Description: Market-Based Triennial Review Filing: 2017 Northeast Triennial to be effective 7/1/2017.

Filed Date: 6/30/17.

Accession Number: 20170630–5267.

Comments Due: 5 p.m. ET 8/29/17.

Docket Numbers: ER17–2014–000.

Applicants: Ingenco Wholesale Power, L.L.C.

Description: Market-Based Triennial Review Filing: Triennial Filing 2017 to be effective 7/1/2017.

Filed Date: 6/30/17.

Accession Number: 20170630–5268.

Comments Due: 5 p.m. ET 8/29/17.

Docket Numbers: ER17–2015–000.

Applicants: Roseton Generating LLC.

Description: Market-Based Triennial Review Filing: NE Triennial 2017 to be effective 7/1/2017.

Filed Date: 6/30/17.

Accession Number: 20170630–5272.

Comments Due: 5 p.m. ET 8/29/17.

Docket Numbers: ER17–2016–000.

Applicants: Black River Hydroelectric, LLC.

Description: Market-Based Triennial Review Filing: Northeast Triennial and Tariff Revisions to be effective 7/1/2017.

Filed Date: 6/30/17.

Accession Number: 20170630–5279.

Comments Due: 5 p.m. ET 8/29/17.

Docket Numbers: ER17–2017–000.

Applicants: All Dams Generation, LLC.

Description: Market-Based Triennial Review Filing: Northeast Triennial & Tariff Revisions to be effective 7/1/2017.

Filed Date: 6/30/17.

Accession Number: 20170630–5280.

Comments Due: 5 p.m. ET 8/29/17.

Docket Numbers: ER17–2018–000.

Applicants: Arizona Public Service Company.

Description: Tariff Cancellation: Cancellation of Service Agreement No. 51741 to be effective 8/30/2017.

Filed Date: 6/30/17.

Accession Number: 20170630–5281.

Comments Due: 5 p.m. ET 7/21/17.

Docket Numbers: ER17–2019–000.

Applicants: Lake Lynn Generation, LLC.

Description: Market-Based Triennial Review Filing: Northeast Triennial and Tariff Revisions to be effective 7/1/2017.

Filed Date: 6/30/17.

Accession Number: 20170630–5285.

Comments Due: 5 p.m. ET 8/29/17.

Docket Numbers: ER17–2020–000.

Applicants: Southwest Power Pool, Inc.

Description: § 205(d) Rate Filing: South Central MCN LLC Formula Rate to be effective 12/31/9998.

Filed Date: 6/30/17.

Accession Number: 20170630–5287.

Comments Due: 5 p.m. ET 7/21/17.

Docket Numbers: ER17–2021–000.

Applicants: Wisconsin Electric Power Company.

Description: § 205(d) Rate Filing: Wisconsin Electric FERC Electric Tariff Volume No. 9—2017 to be effective 9/1/2017.

Filed Date: 6/30/17.

Accession Number: 20170630–5288.

Comments Due: 5 p.m. ET 7/21/17.

Docket Numbers: ER17–2022–000.

Applicants: PE Hydro Generation, LLC.

Description: Market-Based Triennial Review Filing: Northeast Triennial & Tariff Revisions to be effective 7/1/2017.

Filed Date: 6/30/17.

Accession Number: 20170630–5289.

Comments Due: 5 p.m. ET 8/29/17.

Docket Numbers: ER17–2023–000.

Applicants: National Grid Generation LLC.

Description: § 205(d) Rate Filing: Annual Reset of Pension and OPEB Expenses to be effective 1/1/2017.

Filed Date: 6/30/17.

Accession Number: 20170630–5298.

Comments Due: 5 p.m. ET 7/21/17.

Docket Numbers: ER17–2024–000.

Applicants: Nevada Power Company.

Description: Compliance filing: Market-Based Rate Tariff, Volume No. 11 Order 819 Compliance to be effective 7/1/2017.

Filed Date: 6/30/17.

Accession Number: 20170630–5307.

Comments Due: 5 p.m. ET 7/21/17.

Docket Numbers: ER17–2025–000.

Applicants: Sierra Pacific Power Company.

Description: Compliance filing: Market-Based Rate Tariff Vol 7 Order 819 Compliance to be effective 7/1/2017.

Filed Date: 6/30/17.

Accession Number: 20170630–5311.

Comments Due: 5 p.m. ET 7/21/17.

The filings are accessible in the Commission's eLibrary system by clicking on the links or querying the docket number.

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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: June 30, 2017.

Kimberly D. Bose,

Secretary.

[FR Doc. 2017–14332 Filed 7–7–17; 8:45 am]

BILLING CODE 6717–01–P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. CP17–466–000]

Northern Natural Gas Company; Notice of Request Under Blanket Authorization

Take notice that on June 22, 2017, Northern Natural Gas Company (Northern), 1111 South 103rd Street, Omaha, Nebraska 68124, filed in Docket No. CP17–466–000 a prior notice request pursuant to sections 157.205 and 157.208 of the Federal Energy Regulatory Commission's (Commission) regulations under the Natural Gas Act (NGA) and Northern's blanket authorizations issued in Docket No. CP82–401–000. Northern seeks authorization to install and operate (1) a compressor station, (2) a segment of pipeline, and (3) an interconnect, 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.

First, Northern proposes to install and operate a new 11,152-horsepower (HP) compressor station (Bakersfield Compressor Station or Project) in Peco County, Texas. Second, Northern proposes to construct and operate 1.5 miles of 20-inch diameter pipeline. Third, Northern proposes to construct and operate an interconnect with a third-party. The pipeline will be connected to the discharge side of the Bakersfield compressor station and the terminus will be at the proposed interconnect station with a third-party pipeline. The Project will allow Northern to transport 200,000 Dth/day of incremental load through the addition of compression, pipeline and interconnect to a third-party pipeline from Northern's existing system. The total cost is approximately $28,200,000.

Any questions regarding this Application should be directed to Michael T Loeffler, Senior Director, Certificates and External Affairs for Northern, 1111 South 103rd Street, Omaha, Nebraska 68124, by phone (402) 398–7103, by fax (402) 398–7592, or by email at *mike.loeffler@nngco.com.*

Any person or the Commission's Staff may, within 60 days after the 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 Commission's 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 protest. If a protest is filed and not withdrawn within 30 days after the time allowed 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 commenters 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 commenters will not be required to serve copies of filed documents on all other parties. However, the non-party commenters 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 via the internet in lieu of paper. See 18 CFR 385.2001(a)(1)(iii)

and the instructions on the Commission's Web site (*www.ferc.gov*) under the ''e-Filing'' link. 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: July 3, 2017.

Kimberly D. Bose,

Secretary.

[FR Doc. 2017–14380 Filed 7–7–17; 8:45 am]

BILLING CODE 6717–01–P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Project No. 2808–017]

KEI (Maine) Power Management (III) LLC; Notice of Application Accepted for Filing and Soliciting Motions To Intervene and Protests

Take notice that the following hydroelectric applications have been filed with Commission and are available for public inspection:

a. *Type of Application:* Subsequent Minor License.

b. *Project No.:* 2808–017.

c. *Date filed:* January 30, 2017.

d. *Applicant:* KEI (Maine) Power Management (III) LLC.

e. *Name of Project:* Barker's Mill Hydroelectric Project.

f. *Location:* On the Little Androscoggin River, in the City of Auburn, Androscoggin County, Maine. The project does not occupy lands of the United States.

g. *Filed Pursuant to:* Federal Power Act, 16 U.S.C. 791(a)–825(r).

h. *Applicant Contact:* Lewis Loon, Operations and Maintenance Manager, 423 Brunswick Avenue, Gardiner, ME 04345, (207) 203–3025.

i. *FERC Contact:* Karen Sughrue, *karen.sughrue@ferc.gov,* (202) 502–8556.

j. *Deadline for filing motions to intervene and protests and requests for cooperating agency status:* August 29, 2017.

The Commission strongly encourages electronic filing. Please file motions to intervene and protests and requests for cooperating agency status using the Commission's eFiling system at *http://www.ferc.gov/docs-filing/efiling.asp.* For assistance, please contact FERC Online Support at *FERCOnlineSupport@ferc.gov,* (866) 208–3676 (toll free), or (202) 502–8659 (TTY). In lieu of electronic filing, please send a paper copy to: Secretary, Federal Energy Regulatory Commission, 888 First Street NE., Washington, DC 20426. The first page of any filing should include docket number P–2808–017.

The Commission's Rules of Practice and Procedure require all interveners filing documents with the Commission to serve a copy of that document on each person on the official service list for the project. Further, if an intervener files comments or documents with the Commission relating to the merits of an issue that may affect the responsibilities of a particular resource agency, they must also serve a copy of the document on that resource agency.

k. This application has been accepted, but is not ready for environmental analysis at this time.

l. The Barker's Mill Project consists of the following existing facilities: (1) A 232-foot-long, 30-foot-high concrete dam with a 125-foot-long spillway section with flashboards, a 46-foot-long non-overflow section with two waste gates along the left buttress, and a 61-foot-long non-overflow section with seven stop-logs adjacent to the intake canal; (2) a 16.5-acre reservoir with a storage capacity of 150-acre-feet; (3) a 60-foot-long, 20-foot-wide, 9 foot, 7 inch-deep intake canal on the right bank with seven stop-logs; (4) a 35-foot-long, 20-foot-wide gatehouse containing a single gate fitted with trash racks; (5) a buried 650-foot-long, 10 foot, 2 inch-wide, 7 foot, 2 inch-high concrete penstock; (6) a 50-foot-long, 25-foot-wide concrete partially buried powerhouse containing a single semi-Kaplan-type turbine/generating unit with a rated capacity of 1.5 megawatts; (7) a tailrace; (8) a 250-foot-long, 4.2 kilovolt underground power line; (9) a substation; and (10) appurtenant facilities. The project produces an average of 5,087 megawatt-hours annually.

m. A copy of the application is available for review at the Commission in the Public Reference Room or may be viewed on the Commission's Web site 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 Online Support. A copy is also available for inspection and reproduction at the address in item h above.

You may also register online at *http://www.ferc.gov/docs-filing/esubscription.asp* to be notified via email of new filings and issuances related to this or other pending projects. For assistance, contact FERC Online Support.

n. Anyone may submit a protest or a motion to intervene in accordance with the requirements of Rules of Practice and Procedure, 18 CFR 385.210, 385.211, and 385.214. In determining the appropriate action to take, the Commission will consider all protests filed, but only those who file a motion to intervene in accordance with the Commission's Rules may become a party to the proceeding. Any protests or motions to intervene must be received on or before the specified deadline date for the particular application.

All filings must (1) bear in all capital letters the title ''PROTEST'' or ''MOTION TO INTERVENE;'' (2) set forth in the heading the name of the applicant and the project number of the application to which the filing responds; (3) furnish the name, address, and telephone number of the person protesting or intervening; and (4) otherwise comply with the requirements of 18 CFR 385.2001 through 385.2005. Agencies may obtain copies of the application directly from the applicant. A copy of any protest or motion to intervene must be served upon each representative of the applicant specified in the particular application.

Dated: June 30, 2017.

Kimberly D. Bose,

Secretary.

[FR Doc. 2017–14334 Filed 7–7–17; 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: ER10–2651–004.

Applicants: Lockhart Power Company.

Description: Updated Market Power Analysis for the Southeast Region of Lockhart Power Company.

Filed Date: 6/29/17.

Accession Number: 20170629–5245.

Comments Due: 5 p.m. ET 8/28/17.

Docket Numbers: ER10–2794–022; ER12–1825 020; ER14–2672 007.

Applicants: EDF Trading North America, LLC, EDF Energy Services, LLC, EDF Industrial Power Services (CA), LLC.

Description: Updated Market Power Analysis for the Northeast Region of the EDF Sellers.

Filed Date: 6/29/17.

Accession Number: 20170629–5247.

Comments Due: 5 p.m. ET 8/28/17.

Docket Numbers: ER10–2881–031; ER10–1874 005; ER10–2641 030; ER10–

2663 031; ER10–2882 033; ER10–2883 031; ER10–2884 031; ER10–2885 031.

Applicants: Alabama Power Company, Southern Power Company, Mississippi Power Company, Georgia Power Company, Gulf Power Company, Oleander Power Project, Limited Partnership, Southern Company—Florida LLC, Mankato Energy Center, LLC.

Description: Updated Market Power Analysis for the Southeast Region of Alabama Power Company, et al.

Filed Date: 6/29/17.

Accession Number: 20170629–5243.

Comments Due: 5 p.m. ET 8/28/17.

Docket Numbers: ER10–3066–002; ER10–2309 003; ER10–3058 002; ER10–3059 002; ER10–3065 002.

Applicants: Edgewood Energy, LLC, Elwood Energy, LLC, Equus Power I, L.P., Pinelawn Power, LLC, Shoreham Energy, LLC.

Description: Triennial Market Power Update for the Northeast Region of J–POWER North America Holdings Co., Ltd. Affiliates.

Filed Date: 6/29/17.

Accession Number: 20170629–5250.

Comments Due: 5 p.m. ET 8/28/17.

Docket Numbers: ER11–3576–014; ER11–3401 013.

Applicants: Golden Spread Electric Cooperative, Inc., Golden Spread Panhandle Wind Ranch, LLC.

Description: Notice of Non-material Change in Status of Golden Spread Electric Cooperative, Inc.

Filed Date: 6/29/17.

Accession Number: 20170629–5248.

Comments Due: 5 p.m. ET 7/20/17.

Docket Numbers: ER14–2327–002; ER14–2328 002; ER14–2329 002; ER14–2330 002.

Applicants: Entergy Services, Inc., Entergy Nuclear Generation Company, Entergy Nuclear Indian Point 2, LLC, Entergy Nuclear Indian Point 3, LLC, Entergy Nuclear Power Marketing, LLC.

Description: Triennial Market Power Update for the Northeast Region of the Entergy Northeast MBR Utilities.

Filed Date: 6/29/17.

Accession Number: 20170629–5239.

Comments Due: 5 p.m. ET 8/28/17.

Docket Numbers: ER15–1308–004; ER11–2765 002; ER12–1739 002; ER12–2310 005.

Applicants: Kingfisher Wind, LLC, Bethel Wind Energy LLC, Elk Wind Energy LLC, Zephyr Wind, LLC.

Description: Notice of Non-Material Change in Status of the BlackRock MBR Affiliates.

Filed Date: 6/29/17.

Accession Number: 20170629–5249.

Comments Due: 5 p.m. ET 7/20/17.

Docket Numbers: ER17–1957–000.

Applicants: Black Hills Colorado IPP, LLC.

Description: § 205(d) Rate Filing: Revised Market-Based Rate Tariff to be effective 8/28/2017.

Filed Date: 6/29/17.

Accession Number: 20170629–5193.

Comments Due: 5 p.m. ET 7/20/17.

Docket Numbers: ER17–1958–000.

Applicants: New York State Electric & Gas Corporation.

Description: § 205(d) Rate Filing: NYSEG–NYPA Attachment C—O&M Annual Update to be effective 9/1/2017.

Filed Date: 6/29/17.

Accession Number: 20170629–5194.

Comments Due: 5 p.m. ET 7/20/17.

Docket Numbers: ER17–1959–000.

Applicants: Tampa Electric Company.

Description: § 205(d) Rate Filing: Section 205 Requirements Depreciation Rates 2017 Filing—Solar to be effective 1/1/2016.

Filed Date: 6/29/17.

Accession Number: 20170629–5212.

Comments Due: 5 p.m. ET 7/20/17.

Docket Numbers: ER17–1960–000.

Applicants: Helix Ravenswood, LLC.

Description: § 205(d) Rate Filing: Notice of Succession and Revisions to Spot Black Start service Rate Schedule to be effective 6/2/2017.

Filed Date: 6/29/17.

Accession Number: 20170629–5220.

Comments Due: 5 p.m. ET 7/20/17.

Docket Numbers: ER17–1961–000.

Applicants: Kendall Green Energy LLC.

Description: Market-Based Triennial Review Filing: Northeast Triennial & Tariff Revisions to be effective 6/30/2017.

Filed Date: 6/29/17.

Accession Number: 20170629–5221.

Comments Due: 5 p.m. ET 8/28/17.

Docket Numbers: ER17–1962–000.

Applicants: New York State Electric & Gas Corporation.

Description: § 205(d) Rate Filing: Rate Schedule FERC No. 87 Supplement to be effective 9/1/2017.

Filed Date: 6/29/17.

Accession Number: 20170629–5228.

Comments Due: 5 p.m. ET 7/20/17.

Take notice that the Commission received the following qualifying facility filings:

Docket Numbers: QF17–1140–000.

Applicants: UE00211NJ, LLC.

Description: Form 556 of UE00211NJ, LLC under QF17–1140.

Filed Date: 6/29/17.

Accession Number: 20170629–5156.

Comments Due: None Applicable.

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: June 30, 2017.

Kimberly D. Bose,

Secretary.

[FR Doc. 2017–14329 Filed 7–7–17; 8:45 am]

BILLING CODE 6717–01–P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. CP17–3–000]

Dominion Energy Carolina Gas Transmission, LLC; Notice of Availability of the Environmental Assessment for the Proposed Line A Abandonment Project

The staff of the Federal Energy Regulatory Commission (FERC or Commission) has prepared an environmental assessment (EA) for the Line A Abandonment Project, proposed by Dominion Energy Carolina Gas Transmission, LLC (Dominion Energy Carolina) in the above-referenced docket. Dominion Energy Carolina requests authorization to abandon a natural gas pipeline in York, Chester, Lancaster, and Kershaw Counties, South Carolina

The EA assesses the potential environmental effects of the construction and operation of the Line A Abandonment Project in accordance with the requirements of the National Environmental Policy Act (NEPA). The FERC staff concludes that approval of the proposed project, with appropriate mitigating measures, would not constitute a major federal action significantly affecting the quality of the human environment.

The proposed Line A Abandonment Project includes the following facilities to be abandoned:

- 55 miles of 10-inch-diameter pipe in Chester, Kershaw, Lancaster, and York Counties; and

• 5 miles of 12-inch-diameter pipe in York County.

The FERC staff mailed copies of the EA to federal, state, and local government representatives and agencies; elected officials; environmental and public interest groups; Native American tribes; potentially affected landowners and other interested individuals and groups; and newspapers and libraries in the project area. In addition, the EA is available for public viewing on the FERC's Web site (*www.ferc.gov*) using the eLibrary link. A limited number of copies of the EA 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.

Any person wishing to comment on the EA may do so. Your comments should focus on the potential environmental effects, reasonable alternatives, and measures to avoid or lessen environmental impacts. The more specific your comments, the more useful they will be. To ensure that the Commission has the opportunity to consider your comments prior to making its decision on this project, it is important that we receive your comments in Washington, DC on or before July 31, 2017.

For your convenience, there are three methods you can use to file your comments to the Commission. In all instances, please reference the project docket number (CP17–003–000) with your submission. The Commission encourages electronic filing of comments and has expert staff available to assist you at (202) 502–8258 or *FercOnlineSupport@ferc.gov.*

(1) You can file your comments electronically using the eComment feature on the Commission's Web site (*www.ferc.gov*) under the link to Documents and Filings. This is an easy method for submitting brief, text-only comments on a project;

(2) You can also file your comments electronically using the eFiling feature on the Commission's Web site (*www.ferc.gov*) under the link to Documents and Filings. With eFiling, you can provide comments in a variety of formats by attaching them as a file with your submission. New eFiling users must first create an account by clicking on ''eRegister.'' You must select the type of filing you are making. If you are filing a comment on a particular project, please select ''Comment on a Filing''; or

(3) You can file a paper copy of your comments by mailing them to the following address: Kimberly D. Bose, Secretary, Federal Energy Regulatory Commission, 888 First Street NE., Room 1A, Washington, DC 20426.

Any person seeking to become a party to the proceeding must file a motion to intervene pursuant to Rule 214 of the Commission's Rules of Practice and Procedures (18 CFR 385.214).[1] Only intervenors have the right to seek rehearing of the Commission's decision. The Commission grants affected landowners and others with environmental concerns intervenor status upon showing good cause by stating that they have a clear and direct interest in this proceeding which no other party can adequately represent. Simply filing environmental comments will not give you intervenor status, but you do not need intervenor status to have your comments considered.

Additional information about the project 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 in the Docket Number field (*i.e.,* CP17–3). 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, or 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/docs-filing/esubscription.asp.*

Dated: June 30, 2017.

Kimberly D. Bose,

Secretary.

[FR Doc. 2017–14331 Filed 7–7–17; 8:45 am]

BILLING CODE 6717–01–P

[1] See the previous discussion on the methods for filing comments.

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

Notice of Effectiveness of Exempt Wholesale Generator Status

	Docket Nos.
AEM Wind, LLC	EG17–90–000
Deerfield Wind, LLC	EG17–91–000
Tule Wind LLC	EG17–92–000
Twin Buttes Wind II LLC	EG17–93–000
El Cabo Wind LLC	EG17–94–000
Henderson County Solar LLC	EG17–95–000
Santa Rita Wind Energy LLC	EG17–96–000
Caldwell County Solar LLC	EG17–97–000
Buckthorn Westex, LLC	EG17–98–000
Horse Hollow Wind III, LLC	EG17–99–000
Post Wind, LLC	EG17–100–000
Shoe Creek Solar, LLC	EG17–101–000
Vista Energy Storage, LLC	EG17–102–000

Take notice that during the month of June 2017, the status of the above-captioned entities as Exempt Wholesale Generators became effective by operation of the Commission's regulations. 18 CFR 366.7(a) (2016).

Dated: July 3, 2017.

Kimberly D. Bose,

Secretary.

[FR Doc. 2017–14382 Filed 7–7–17; 8:45 am]

BILLING CODE 6717–01–P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. CP17–19–000]

Valley Crossing Pipeline, LLC; Notice of Availability of the Environmental Assessment for the Proposed Border Crossing Project

The staff of the Federal Energy Regulatory Commission (FERC or Commission) has prepared an environmental assessment (EA) for the Border Crossing Project, proposed by Valley Crossing Pipeline, LLC (Valley Crossing) in the above-referenced docket. Valley Crossing requests authorization to construct and operate an approximately 1,000-foot-long, 42-inch-diameter, natural gas transmission pipeline in the Gulf of Mexico, across the international boundary between the United States of America and the United Mexican States (Mexico). The Project would connect the non-jurisdictional Valley Crossing System with the Mexican Marina Pipeline and facilitate the delivery/export of up to 2.6 billion cubic feet per day of natural gas to Mexico.

The EA assesses the potential environmental effects of the construction and operation of the

Border Crossing Project in accordance with the requirements of the National Environmental Policy Act (NEPA). The FERC staff concludes that approval of the proposed project, with appropriate mitigating measures, would not constitute a major federal action significantly affecting the quality of the human environment.

The FERC staff mailed copies of the EA to federal, state, and local government representatives and agencies; elected officials; and interested individuals and groups. In addition, the EA is available for public viewing on the FERC's Web site (*www.ferc.gov*) using the eLibrary link. A limited number of copies of the EA 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.

Any person wishing to comment on the EA may do so. Your comments should focus on the potential environmental effects, reasonable alternatives, and measures to avoid or lessen environmental impacts. The more specific your comments, the more useful they will be. To ensure that the Commission has the opportunity to consider your comments prior to making its decision on this project, it is important that we receive your comments in Washington, DC on or before July 31, 2017.

For your convenience, there are three methods you can use to file your comments to the Commission. In all instances, please reference the project docket number (CP17–19–000) with your submission. The Commission encourages electronic filing of comments and has expert staff available to assist you at (202) 502–8258 or *FercOnlineSupport@ferc.gov.*

(1) You can file your comments electronically using the eComment feature on the Commission's Web site (*www.ferc.gov*) under the link to Documents and Filings. This is an easy method for submitting brief, text-only comments on a project;

(2) You can also file your comments electronically using the eFiling feature on the Commission's Web site (*www.ferc.gov*) under the link to Documents and Filings. With eFiling, you can provide comments in a variety of formats by attaching them as a file with your submission. New eFiling users must first create an account by clicking on ''eRegister.'' You must select the type of filing you are making. If you are filing a comment on a particular project, please select ''Comment on a Filing''; or

(3) You can file a paper copy of your comments by mailing them to the following address: Kimberly D. Bose, Secretary, Federal Energy Regulatory Commission, 888 First Street NE., Room 1A, Washington, DC 20426.

Any person seeking to become a party to the proceeding must file a motion to intervene pursuant to Rule 214 of the Commission's Rules of Practice and Procedures (18 CFR 385.214).[1] Only intervenors have the right to seek rehearing of the Commission's decision. The Commission grants affected landowners and others with environmental concerns intervenor status upon showing good cause by stating that they have a clear and direct interest in this proceeding which no other party can adequately represent. Simply filing environmental comments will not give you intervenor status, but you do not need intervenor status to have your comments considered.

Additional information about the project 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 in the Docket Number field (*i.e.,* CP17–19). 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, or 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/docs-filing/esubscription.asp.*

Dated: June 30, 2017.

Kimberly D. Bose,

Secretary.

[FR Doc. 2017–14333 Filed 7–7–17; 8:45 am]

BILLING CODE 6717–01–P

[1] See the previous discussion on the methods for filing comments.

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: ER10–1325–008.
Applicants: CinCap V, LLC.
Description: Updated Market Power Analysis for the Southeast Region of CinCap V, LLC.
Filed Date: 6/30/17.
Accession Number: 20170630–5384.
Comments Due: 5 p.m. ET 8/29/17.

Docket Numbers: ER10–1437–006.
Applicants: Tampa Electric Company.
Description: Triennial Market Power Update for the Southeast Region of Tampa Electric Company.
Filed Date: 6/30/17.
Accession Number: 20170630–5412.
Comments Due: 5 p.m. ET 8/29/17.

Docket Numbers: ER10–2140–017.
Applicants: Grand Ridge Energy IV LLC.
Description: Triennial Report for the Northeast Region of Grand Ridge Energy IV LLC.
Filed Date: 6/30/17.
Accession Number: 20170630–5407.
Comments Due: 5 p.m. ET 8/29/17.

Docket Numbers: ER10–2414–006.
Applicants: Old Trail Wind Farm, LLC.
Description: Updated Market Power Analysis for the Northeast Region and Notice of Change in Status of Old Trail Wind Farm, LLC.
Filed Date: 6/30/17.
Accession Number: 20170630–5404.
Comments Due: 5 p.m. ET 8/29/17.

Docket Numbers: ER10–2432–013; ER10–1959–007; ER10–2435–013; ER10–2440–011; ER10–2444–013; ER10–2446–011; ER10–2449–011; ER10–3286–012; ER10–3299–011; ER10–71–005; ER11–3620–011; ER12–1431–009; ER12–1432–009; ER12–1434–009; ER12–1435–009; ER12–2510–008; ER12–2512–008; ER12–2513–008; ER13–2102–007; ER13–2308–006; ER14–1439–007; ER15–1019–006; ER15–2013–006; ER15–2014–004; ER15–2018–004; ER15–2022–004; ER15–2026–004.
Applicants: Bayonne Plant Holding, L.L.C., Brandon Shores LLC, Brunner Island, LLC, Camden Plant Holding, L.L.C., Dartmouth Power Associates Limited Partnership, Elmwood Park Power, LLC, H.A. Wagner LLC, Lower Mount Bethel Energy, LLC, Martins Creek, LLC, Millennium Power Partners, LP, Montour, LLC, New Athens

Generating Company, LLC, Newark Bay Cogeneration Partnership, L.P, Pedricktown Cogeneration Company LP, Raven Power Marketing LLC, Sapphire Power Marketing LLC, Susquehanna Nuclear, LLC, Talen Energy Marketing, LLC, York Generation Company LLC, Lyonsdale Biomass, LLC, ReEnergy Ashland LLC, ReEnergy Black River LLC, ReEnergy Fort Fairfield LLC, ReEnergy Livermore Falls LLC, ReEnergy Stratton LLC, TrailStone Power, LLC, Fowler Ridge IV Wind Farm LLC.

Description: *Updated Market Power Analysis for the Riverstone Northeast MBR Sellers.*

Filed Date: 6/30/17.

Accession Number: 20170630–5408.

Comments Due: 5 p.m. ET 8/29/17.

Docket Numbers: ER10–2961–011; ER10–2950–010; ER16–2462–005.

Applicants: Oregon Clean Energy, LLC, Spruance Genco, LLC, Edgecombe Genco, LLC.

Description: Triennial MBR Compliance Filing of Edgecombe Genco, LLC, et al.

Filed Date: 6/30/17.

Accession Number: 20170630–5359.

Comments Due: 5 p.m. ET 8/29/17.

Docket Numbers: ER10–3246–008; ER10–2475–013; ER10–2474–013; ER13–1266–008.

Applicants: PacifiCorp, Nevada Power Company, Sierra Pacific Power Company, CalEnergy, LLC.

Description: Supplement to June 30, 2016 Triennial Market Power Analysis for the Northwest Region of the BHE Northwest Companies.

Filed Date: 6/30/17.

Accession Number: 20170630–5364.

Comments Due: 5 p.m. ET 7/21/17.

Docket Numbers: ER12–1563–003; ER12–1562–003; ER11–3642–016.

Applicants: Cayuga Operating Company, LLC, Somerset Operating Company, LLC, Tanner Street Generation, LLC.

Description: Updated Market Power Analysis for the Northeast Region of Cayuga Operating Company, LLC, et. al.

Filed Date: 6/30/17.

Accession Number: 20170630–5379.

Comments Due: 5 p.m. ET 8/29/17.

Docket Numbers: ER12–1923–003; ER10–2334–004; ER11–2897–002; ER11–3406–004; ER11–3407–004; ER12–1865–005; ER12–1924–003; ER12–1925–003.

Applicants: Big Savage, LLC, Big Sky Wind, LLC, EverPower Commercial Services LLC, Highland North LLC, Howard Wind LLC, Krayn Wind LLC, Mustang Hills, LLC, Patton Wind Farm, LLC.

Description: Triennial Market Power Update for the Northeast Region of the EverPower Companies.

Filed Date: 6/30/17.

Accession Number: 20170630–5417.

Comments Due: 5 p.m. ET 8/29/17.

Docket Numbers: ER13–1266–013; ER10–2611–019; ER11–2044–021; ER11–3876–021; ER15–2211–010.

Applicants: CalEnergy, LLC, Cordova Energy Company LLC, MidAmerican Energy Company, MidAmerican Energy Services, LLC, Saranac Power Partners, L.P.

Description: Northeast Triennial Market Power Analysis of CalEnergy, LLC, et al.

Filed Date: 6/30/17.

Accession Number: 20170630–5369.

Comments Due: 5 p.m. ET 8/29/17.

Docket Numbers: ER13–1485–008; ER10–3230–008; ER10–3237–008; ER10–3239–008; ER10–3240–008; ER10–3253–008; ER14–1777–007; ER15–2722–004.

Applicants: Wheelabrator Baltimore, L.P., Wheelabrator Bridgeport, L.P., Wheelabrator Falls Inc., Wheelabrator Frackville Energy Company Inc., Wheelabrator North Andover Inc., Wheelabrator Portsmouth Inc., Wheelabrator Saugus Inc., Wheelabrator Westchester, L.P.

Description: Updated Market Power Analysis for the Northeast Region of the WTI MBR Sellers.

Filed Date: 6/30/17.

Accession Number: 20170630–5382.

Comments Due: 5 p.m. ET 8/29/17.

Docket Numbers: ER15–1456–004; ER11–4634–004; ER15–1457–004; ER17–436–002; ER17–437–004.

Applicants: Beaver Falls, L.L.C., Hazleton Generation LLC, Marcus Hook Energy, L.P., Marcus Hook 50, L.P., Syracuse, L.L.C.

Description: Triennial Market Power Update for the Northeast Region of Beaver Falls, L.L.C., et al.

Filed Date: 6/30/17.

Accession Number: 20170630–5383.

Comments Due: 5 p.m. ET 8/29/17.

Docket Numbers: ER16–1720–003.

Applicants: Invenergy Energy Management LLC.

Description: Triennial Report for the Northeast Region of Invenergy Energy Management LLC.

Filed Date: 6/30/17.

Accession Number: 20170630–5403.

Comments Due: 5 p.m. ET 8/29/17.

Docket Numbers: ER17–1098–001.

Applicants: Southwest Power Pool, Inc.

Description: Tariff Amendment: Deficiency Response in ER17–1098—Resource Adequacy Requirement to be effective 6/1/2017.

Filed Date: 6/30/17.

Accession Number: 20170630–5347.

Comments Due: 5 p.m. ET 7/21/17.

Docket Numbers: ER17–2026–000.

Applicants: Cube Yadkin Generation LLC.

Description: Market-Based Triennial Review Filing: Southeast Triennial & Tariff Revisions to be effective 7/1/2017.

Filed Date: 6/30/17.

Accession Number: 20170630–5315.

Comments Due: 5 p.m. ET 8/29/17.

Docket Numbers: ER17–2027–000.

Applicants: Southwest Power Pool, Inc.

Description: § 205(d) Rate Filing: Integrated Transmission Planning Process Tariff Revisions to be effective 10/1/2017.

Filed Date: 6/30/17.

Accession Number: 20170630–5332.

Comments Due: 5 p.m. ET 7/21/17.

Docket Numbers: ER17–2028–000.

Applicants: PE Berkeley, Inc.

Description: Baseline eTariff Filing: PE Berkeley, Inc. FERC Electric Tariff, Original Baseline to be effective 7/27/2017.

Filed Date: 6/30/17.

Accession Number: 20170630–5348.

Comments Due: 5 p.m. ET 7/21/17.

Docket Numbers: ER17–2029–000.

Applicants: Entergy Arkansas, Inc.

Description: § 205(d) Rate Filing: EAI–ESI Reimbursement Agreement to be effective 8/1/2017.

Filed Date: 6/30/17.

Accession Number: 20170630–5341.

Comments Due: 5 p.m. ET 7/21/17.

Docket Numbers: ER17–2030–000.

Applicants: Entergy Louisiana, LLC

Description: § 205(d) Rate Filing: ELL–ESI Reimbursement Agreement to be effective 8/1/2017.

Filed Date: 6/30/17.

Accession Number: 20170630–5349.

Comments Due: 5 p.m. ET 7/21/17.

Docket Numbers: ER17–2031–000.

Applicants: Entergy Mississippi, Inc.

Description: § 205(d) Rate Filing: EMI–ESI Reimbursement Agreement to be effective 8/1/2017.

Filed Date: 6/30/17.

Accession Number: 20170630–5343.

Comments Due: 5 p.m. ET 7/21/17.

Docket Numbers: ER17–2032–000.

Applicants: Southwest Power Pool, Inc.

Description: § 205(d) Rate Filing: 2198R22 Kansas Power Pool NITSA NOA to be effective 6/1/2017.

Filed Date: 6/30/17.

Accession Number: 20170630–5344.

Comments Due: 5 p.m. ET 7/21/17.

Docket Numbers: ER17–2033–000.

Applicants: Entergy New Orleans, Inc.

Description: § 205(d) Rate Filing: ENO–ESI Reimbursement Agreement to be effective 8/1/2017.

Filed Date: 6/30/17.
Accession Number: 20170630–5345.
Comments Due: 5 p.m. ET 7/21/17.
Docket Numbers: ER17–2034–000.
Applicants: Entergy Texas, Inc.
Description: § 205(d) Rate Filing: ETI–ESI Reimbursement Agreement to be effective 8/1/2017.
Filed Date: 6/30/17.
Accession Number: 20170630–5346.
Comments Due: 5 p.m. ET 7/21/17.
Docket Numbers: ER17–2035–000.
Applicants: Arizona Public Service Company.
Description: § 205(d) Rate Filing: Arizona Public Service Company Submits Revised Market-Based Rate Tariff to be effective 8/30/2017.
Filed Date: 6/30/17.
Accession Number: 20170630–5350.
Comments Due: 5 p.m. ET 7/21/17.
Docket Numbers: ER17–2036–000.
Applicants: Florida Power & Light Company.
Description: § 205(d) Rate Filing: FPL and FPUC Rate Schedule FERC No. 401 to be effective 8/30/2017.
Filed Date: 6/30/17.
Accession Number: 20170630–5351.
Comments Due: 5 p.m. ET 7/21/17.
Docket Numbers: ER17–2037–000.
Applicants: Chubu TT Energy Management Inc.
Description: § 205(d) Rate Filing: Chubu TT MBR Tariff Update 2017 Triennial to be effective 9/1/2017.
Filed Date: 6/30/17.
Accession Number: 20170630–5353.
Comments Due: 5 p.m. ET 7/21/17.
Docket Numbers: ER17–2038–000.
Applicants: Southwest Power Pool, Inc.
Description: § 205(d) Rate Filing: 2198R23 Kansas Power Pool NITSA NOA to be effective 9/1/2017.
Filed Date: 6/30/17.
Accession Number: 20170630–5355.
Comments Due: 5 p.m. ET 7/21/17.
Docket Numbers: ER17–2039–000.
Applicants: New England Power Pool Participants Committee.
Description: § 205(d) Rate Filing: July 2017 Membership Filing to be effective 6/1/2017.
Filed Date: 7/3/17.
Accession Number: 20170703–5000.
Comments Due: 5 p.m. ET 7/24/17.
Docket Numbers: ER17–2040–000.
Applicants: Vermont Transco, LLC.
Description: Annual Informational Filing with updated Exhibit A for the 1991 Transmission Agreement of Vermont Transco, LLC.
Filed Date: 6/30/17.
Accession Number: 20170630–5356.
Comments Due: 5 p.m. ET 7/21/17.
Docket Numbers: ER17–2041–000.
Applicants: Southwest Power Pool, Inc.
Description: § 205(d) Rate Filing: 3334 Associated Electric Cooperative NITSA and NOA to be effective 6/1/2017.
Filed Date: 7/3/17.
Accession Number: 20170703–5085.
Comments Due: 5 p.m. ET 7/24/17.
Docket Numbers: ER17–2042–000.
Applicants: Southwest Power Pool, Inc.
Description: § 205(d) Rate Filing: 3340 Otter Tail Power Company NITSA and NOA to be effective 6/1/2017.
Filed Date: 7/3/17.
Accession Number: 20170703–5152.
Comments Due: 5 p.m. ET 7/24/17.

Take notice that the Commission received the following electric securities filings:

Docket Numbers: ES17–39–000.
Applicants: MidAmerican Energy Company.
Description: Application under Section 204 of the Federal Power Act for Long-Term Financing of MidAmerican Energy Company.
Filed Date: 6/30/17.
Accession Number: 20170630–5415.
Comments Due: 5 p.m. ET 7/21/17.

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: July 3, 2017.

Kimberly D. Bose,

Secretary.

[FR Doc. 2017–14381 Filed 7–7–17; 8:45 am]

BILLING CODE 6717–01–P

ENVIRONMENTAL PROTECTION AGENCY

[EPA–HQ–OPP–2017–0292; FRL–9963–16]

Lambda-Cyhalothrin; Receipt of Application for Emergency Exemption, Solicitation of Public Comment

AGENCY: Environmental Protection Agency (EPA).

ACTION: Notice.

SUMMARY: EPA has received a specific exemption request from the Washington State Department of Agriculture to use the pesticide lambda-cyhalothrin (CAS No. 91465–08–6) to treat up to 7,000 acres of asparagus to control the European asparagus aphid. The applicant proposes a use which is supported by the Interregional Research Project number 4 (IR–4) program and has been requested in 5 or more previous years, and a petition for tolerance has not yet been submitted to the Agency. Therefore, in accordance with regulatory requirements, EPA is soliciting public comment before making the decision whether or not to grant the exemption.

DATES: Comments must be received on or before July 25, 2017.

ADDRESSES: Submit your comments, identified by docket identification (ID) number EPA–HQ–OPP–2017–0292, by one of the following methods:

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

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

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

SUPPLEMENTARY INFORMATION:

I. General Information

A. Does this action apply to me?

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

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

B. What should I consider as I prepare my comments for EPA?

1. *Submitting CBI.* Do not submit this information to EPA through *www.regulations.gov* or email. Clearly mark the part or all of the information that you claim to be CBI. For CBI information in a disk or CD–ROM that you mail to EPA, mark the outside of the disk or CD–ROM as CBI and then identify electronically within the disk or CD–ROM the specific information that is claimed as CBI. In addition to one complete version of the comment that includes information claimed as CBI, a copy of the comment that does not contain the information claimed as CBI must be submitted for inclusion in the public docket. Information so marked will not be disclosed except in accordance with procedures set forth in 40 CFR part 2.

2. *Tips for preparing your comments.* When preparing and submitting your comments, see the commenting tips at *http://www.epa.gov/dockets/commenting-epa-dockets#tips.*

3. *Environmental justice.* EPA seeks to achieve environmental justice, the fair treatment and meaningful involvement of any group, including minority and/or low income populations, in the development, implementation, and enforcement of environmental laws, regulations, and policies. To help address potential environmental justice issues, the Agency seeks information on any groups or segments of the population who, as a result of their location, cultural practices, or other factors, may have atypical or disproportionately high and adverse human health impacts or environmental effects from exposure to the pesticide discussed in this document, compared to the general population.

II. What action is the Agency taking?

Under section 18 of the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA) (7 U.S.C. 136p), at the discretion of the EPA Administrator, a Federal or State agency may be exempted from any provision of FIFRA if the EPA Administrator determines that emergency conditions exist which require the exemption. The Washington State Department of Agriculture has requested the EPA Administrator to issue a specific exemption for the use of lambda-cyhalothrin on asparagus to control the European asparagus aphid. Information in accordance with 40 CFR part 166 was submitted as part of the request.

As part of the request, the applicant asserts that the cancellation of the previously relied-upon tool, disulfoton, has left asparagus growers in the state of Washington with no adequate alternatives to control the European asparagus aphid, and significant economic losses will occur without sufficient control.

The Applicant proposes to make no more than 3 applications at a maximum rate of 0.03 pounds (lb.) (total of 0.09 lb.) per acre of lambda-cyhalothrin on up to 7,000 acres of asparagus grown in the state of Washington from June 15 to October 30, 2017. Treatment of the maximum acreage at the maximum rate would result in a total use of lambda-cyhalothrin of 630 lbs.

This notice does not constitute a decision by EPA on the application itself. The regulations governing FIFRA section 18 at 40 CFR 166.32(a)(7), require publication of a notice of receipt of an application for a specific exemption proposing a use which is supported by the Inter-Regional Project Number 4 (IR–4) program and has been requested in 5 or more previous years, and a petition for tolerance has not yet been submitted to the Agency.

The notice provides an opportunity for public comment on the application. The Agency will review and consider all comments received during the comment period in determining whether to issue the specific exemption requested by the Washington State Department of Agriculture.

Authority: 7 U.S.C. 136 *et seq.*

Dated: June 8, 2017.

Michael L. Goodis,

Director, Registration Division, Office of Pesticide Programs.

[FR Doc. 2017–14322 Filed 7–7–17; 8:45 am]

BILLING CODE 6560–50–P

FARM CREDIT ADMINISTRATION

Sunshine Act Meeting; Farm Credit Administration Board

AGENCY: Farm Credit Administration.

ACTION: Notice, regular meeting.

SUMMARY: Notice is hereby given, pursuant to the Government in the Sunshine Act, of the regular meeting of the Farm Credit Administration Board (Board).

DATES: The regular meeting of the Board will be held at the offices of the Farm Credit Administration in McLean, Virginia, on July 13, 2017, from 9:00 a.m. until such time as the Board concludes its business.

ADDRESSES: Farm Credit Administration, 1501 Farm Credit Drive, McLean, Virginia 22102–5090. Submit attendance requests via email to *VisitorRequest@FCA.gov.* See **SUPPLEMENTARY INFORMATION** for further information about attendance requests.

FOR FURTHER INFORMATION CONTACT: Dale L. Aultman, Secretary to the Farm Credit Administration Board, (703) 883–4009, TTY (703) 883–4056.

SUPPLEMENTARY INFORMATION: This meeting of the Board will be open to the public (limited space available). Please send an email to *VisitorRequest@FCA.gov* at least 24 hours before the meeting. In your email include: Name, postal address, entity you are representing (if applicable), and telephone number. You will receive an email confirmation from us. Please be prepared to show a photo identification when you arrive. If you need assistance for accessibility reasons, or if you have any questions, contact Dale L. Aultman, Secretary to the Farm Credit Administration Board, at (703) 883–4009. The matters to be considered at the meeting are:

Open Session

A. Approval of Minutes

- June 8, 2017

B. Report

- Why We Are Not Facing Another 1980s-Style Farm Sector Crisis

Dated: July 6, 2017.

Dale L. Aultman,

Secretary, Farm Credit Administration Board.

[FR Doc. 2017–14457 Filed 7–6–17; 11:15 am]

BILLING CODE 6705–01–P

FEDERAL DEPOSIT INSURANCE CORPORATION

Notice to All Interested Parties of the Termination of the Receivership of 10368—First Heritage Bank, Snohomish, Washington

Notice is hereby given that the Federal Deposit Insurance Corporation (FDIC) as Receiver for First Heritage Bank, Snohomish, Washington (''the Receiver'') intends to terminate its receivership for said institution. The FDIC was appointed Receiver of First Heritage Bank on May 27, 2011. The liquidation of the receivership assets has been completed. To the extent permitted by available funds and in accordance with law, the Receiver will be making a final dividend payment to proven creditors.

Based upon the foregoing, the Receiver has determined that the continued existence of the receivership will serve no useful purpose. Consequently, notice is given that the receivership shall be terminated, to be effective no sooner than thirty days after the date of this notice. If any person wishes to comment concerning the termination of the receivership, such comment must be made in writing and sent within thirty days of the date of this notice to: Federal Deposit Insurance Corporation, Division of Resolutions and Receiverships, Attention: Receivership Oversight Department 34.6, 1601 Bryan Street, Dallas, TX 75201.

No comments concerning the termination of this receivership will be considered which are not sent within this time frame.

Dated: July 3, 2017.

Federal Deposit Insurance Corporation.

Robert E. Feldman,

Executive Secretary.

[FR Doc. 2017–14328 Filed 7–7–17; 8:45 am]

BILLING CODE 6714–01–P

FEDERAL ELECTION COMMISSION

Sunshine Act Meetings

AGENCY: Federal Election Commission.

DATE AND TIME: Thursday, July 13, 2017 at 10:00 a.m.

PLACE: 999 E Street NW., Washington, DC (Ninth Floor).

STATUS: This Meeting Will Be Open to the Public.

ITEMS TO BE DISCUSSED:

Request by the Sergeant at Arms of the United States House of Representatives Regarding the Possible Use of Campaign Funds for Residential Security Systems

Draft Advisory Opinion 2017–07: Sergeant at Arms

Draft Advisory Opinion 2017–05: Great America PAC and Committee to Defend the President

Proposed Interim Enforcement Policy for ''Volunteer Mail'' Exemption

Discussion of Commission's Response to Alleged Foreign Interference in American Elections

Management and Administrative Matters

Individuals who plan to attend and require special assistance, such as sign language interpretation or other reasonable accommodations, should contact Dayna C. Brown, Secretary and Clerk, at (202)694–1040, at least 72 hours prior to the meeting date.

PERSON TO CONTACT FOR INFORMATION: Judith Ingram, Press Officer, Telephone: (202) 694–1220.

Dayna C. Brown,

Secretary and Clerk of the Commission.

[FR Doc. 2017–14537 Filed 7–6–17; 4:15 pm]

BILLING CODE 6715–01–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: The Board of Governors of the Federal Reserve System (Board) is adopting a proposal to extend for three years, with revision, the voluntary Survey of Terms of Lending (STL; FR 2028; OMB No. 7100–0061). The revisions are effective as follows. The final data collection for the FR 2028A would be for the May 2017 survey week, and the first data collection for the FR 2028D would be in February 2018 for the December 31, 2017, as of date.

On June 15, 1984, the Office of Management and Budget (OMB) delegated to the Board authority under the Paperwork Reduction Act (PRA) to approve of and assign OMB control numbers to collection of information requests and requirements conducted or sponsored by the Board. 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—Nuha Elmaghrabi—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 or by fax to (202) 395–6974.

Final approval under OMB delegated authority of the extension for three years, with revision, of the following report:

Report title: Survey of Small Business and Farm Lending.

Agency form number: FR 2028B, FR 2028D, and FR 2028S.

OMB control number: 7100–0061.

Effective Date: The final data collection for the FR 2028A would be for the May 2017 survey week, and the first data collection for the FR 2028D would be in February 2018 for the December 31, 2017, as of date.

Frequency: Quarterly.

Respondents: Commercial banks.

Estimated number of respondents: FR 2028B—250; FR 2028D—398; and FR 2028S—250.

Estimated average hours per response: FR 2028B—1.4 hours; FR 2028D—1.5 hours; FR 2028D (First Time only)—1.5 hours; and FR 2028S—0.1 hours.

Estimated annual burden hours: 4,485 hours.

General description of report: The STL collects unique information concerning price and certain nonprice terms of loans made to businesses and farmers during the first full business week of the mid-month of each quarter (February, May, August, and November). The FR 2028A and FR 2028B collect detailed data on individual loans made during the survey week, and the FR 2028S collects the prime interest rate for each day of the survey from both FR 2028A and FR 2028B respondents. From these sample STL data, estimates of the terms of business loans and farm loans extended during the reporting week are constructed. The aggregate estimates for

business loans are published in the quarterly E.2 statistical release, *Survey of Terms of Business Lending,* and aggregate estimates for farm loans are published in the E.15 statistical release, *Agricultural Finance Databook.*

Legal authorization and confidentiality: The Board's Legal Division has determined that these surveys are authorized by section 11(a)(2) of the Federal Reserve Act (12 U.S.C. 248(a)(2)) which authorizes the Board to require any depository institution to make such reports of its assets and liabilities as the Board may determine to be necessary or desirable to enable the Board to discharge its responsibility to monitor and control monetary and credit aggregates. The reports are voluntary. Individual responses reported on the FR 2028A, FR 2028B, FR 2028D, and FR 2028S are regarded as confidential under the Freedom of Information Act (5 U.S.C. 552(b)(4)).

Current actions: On April 21, 2017, the Board published a notice in the **Federal Register** (82 FR 18759) requesting public comment for 60 days on the extension, with revision, of the FR 2028. The Federal Reserve proposed to (1) discontinue the FR 2028A, (2) create a new Small Business Lending Survey (FR 2028D) that would provide focused and enhanced information on small business lending including rates, terms, credit availability, and reasons for their changes (in contrast to the individual loan data collected on the FR 2028A, the FR 2028D would collect quarterly average quantitative data on terms of small business loans and qualitative information on changes and the reasons for changes in the terms of lending), and (3) rename the STL the Survey of Small Business and Farm Lending (SSBFL) to more accurately describe the data collection. No changes were proposed to the FR 2028B and FR 2028S. The comment period for this notice expired on June 20, 2017. The Board did not receive any comments. The revisions will be implemented as proposed.

Board of Governors of the Federal Reserve System, July 5, 2017.

Ann E. Misback,

Secretary of the Board.

[FR Doc. 2017–14401 Filed 7–7–17; 8:45 am]

BILLING CODE 6210–01–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Centers for Disease Control and Prevention

Sunshine Act Meeting: Advisory Council for the Elimination of Tuberculosis Meeting (ACET)

TIME AND DATE: 10:00 a.m.–3:30 p.m., EDT, August 22, 2017

PLACE: Web conference. Toll free number 1–877–927–1433, Participant Code: 12016435, To join the meeting: *https://adobeconnect.cdc.gov/r5p8l2tytpq/.*

STATUS: In accordance with section 10(a)(2) of the Federal Advisory Committee Act (Pub. L. 92–463), the Centers for Disease Control and Prevention announces the meeting of the ACET. This meeting is open to the public. The meeting room accommodates 100 ports. Persons who desire to make an oral statement, may request it at the time of the public comment period on August 22, 2017 at 3:20p.m. EDT. Public participation and ability to comment will be limited to space and time as it permits.

MATTERS TO BE CONSIDERED: This council advises and makes recommendations to the Secretary of Health and Human Services, the Assistant Secretary for Health, and the Director, CDC, regarding the elimination of tuberculosis (TB). Specifically, the Council makes recommendations regarding policies, strategies, objectives, and priorities; addresses the development and application of new technologies; and reviews the extent to which progress has been made toward eliminating tuberculosis. Agenda items include the following topics: (1) Update on making latent tuberculosis infection (LTBI) reportable from the Council of State and Territorial Epidemiologists (CSTE) meeting; (2) Update data on LTBI testing and treatment from Aggregate Reports for Tuberculosis Program Evaluation (ARPE); (3) Update on CDC's efforts to transition to whole-genome sequencing; (4) Updates from Workgroups; and (5) other tuberculosis-related issues. Agenda items are subject to change as priorities dictate.

CONTACT PERSON FOR MORE INFORMATION: Margie Scott-Cseh, CDC, 1600 Clifton Road NE., M/S E–07, Atlanta, Georgia 30333, telephone (404) 639–8317; Email: *zkr7@cdc.gov.*

The Director, Management Analysis and Services Office, has been delegated the authority to sign **Federal Register** notices pertaining to announcements of meetings and other committee management activities, for both the Centers for Disease Control and Prevention and the Agency for Toxic Substances and Disease Registry.

Claudette Grant,

Acting Director, Management Analysis and Services Office, Centers for Disease Control and Prevention (CDC).

[FR Doc. 2017–14516 Filed 7–6–17; 4:15 pm]

BILLING CODE 4163–18–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Centers for Disease Control and Prevention

Sunshine Act Meeting: Advisory Board on Radiation and Worker Health (ABRWH or Advisory Board), National Institute for Occupational Safety and Health (NIOSH)

TIME/S/ AND DATE/S/:

8:15 a.m.–5:30 p.m., Mountain Time, August 23, 2017

8:15 a.m.–4:30 p.m., Mountain Time, August 24, 2017

PUBLIC COMMENT TIMES AND DATES: 5:30 p.m.–6:30 p.m., Mountain Time, August 23, 2017.

PLACE: Courtyard Marriott, 3347 Cerrillos Road, Santa Fe, New Mexico 87507; Phone: (505) 473–2800 Fax: (505) 473–5128.

STATUS: In accordance with section 10(a) (2) of the Federal Advisory Committee Act (Pub. L. 92–463), the Centers for Disease Control and Prevention (CDC) announces the following meeting of the aforementioned committee. This meeting is Open to the public, limited only by the space available. The meeting space accommodates approximately 100 people. Audio Conference Call via FTS Conferencing. The USA toll-free, dial-in number is 1–866–659–0537 with a pass code of 9933701. *Skype Meeting Connection: https://webconf.cdc.gov/zab6/yzdq02pl?sl=1*

MATTERS TO BE CONSIDERED: The Advisory Board was established under the Energy Employees Occupational Illness Compensation Program Act of 2000 to advise the President on a variety of policy and technical functions required to implement and effectively manage the new compensation program. Key functions of the Advisory Board include providing advice on the development of probability of causation guidelines which have been promulgated by the Department of Health and Human Services (HHS) as a final rule, advice on methods of dose reconstruction which have also been

promulgated by HHS as a final rule, advice on the scientific validity and quality of dose estimation and reconstruction efforts being performed for purposes of the compensation program, and advice on petitions to add classes of workers to the Special Exposure Cohort (SEC).

In December 2000, the President delegated responsibility for funding, staffing, and operating the Advisory Board to HHS, which subsequently delegated this authority to the CDC. NIOSH implements this responsibility for CDC. The charter was issued on August 3, 2001, renewed at appropriate intervals, rechartered on March 22, 2016 pursuant to Executive Order 13708, and will expire on September 30, 2017.

This Advisory Board is charged with (a) providing advice to the Secretary, HHS, on the development of guidelines under Executive Order 13179; (b) providing advice to the Secretary, HHS, on the scientific validity and quality of dose reconstruction efforts performed for this program; and (c) upon request by the Secretary, HHS, advising the Secretary on whether there is a class of employees at any Department of Energy facility who were exposed to radiation but for whom it is not feasible to estimate their radiation dose, and on whether there is reasonable likelihood that such radiation doses may have endangered the health of members of this class.

The agenda for the Advisory Board meeting includes: NIOSH Program Update; Department of Labor Program Update; Department of Energy Program Update; SEC Petitions Update; Site Profile reviews for Pantex Plant (Amarillo, Texas), Pacific Proving Grounds (Marshall Islands), Feed Materials Production Center (Fernald, Ohio), and possibly Nevada Test Site (Mercury, Nevada); SEC petitions for: Metals and Control Corp. (1968–1997; Attleboro, Massachusetts), Los Alamos National Laboratory (1996–2005; Los Alamos, New Mexico), Idaho National Laboratory (1970–1980; Scoville, Idaho), Area IV of Santa Susanna Field Laboratory (1991–1993; Ventura County, California), Savannah River Site (1973–2007; Aiken, South Carolina), and possibly either Ames Laboratory (1971–undetermined ending date; Ames, Iowa) or Grand Junction Facilities (1986–2010; Grand Junction, CO); and Board Work Sessions.

The agenda is subject to change as priorities dictate. In the event an individual cannot attend, written comments may be submitted to the contact person below well in advance of the meeting. Any written comments received will be provided at the meeting in accordance with the redaction policy provided below.

Policy on Redaction of Board Meeting Transcripts (Public Comment):

(1) If a person making a comment gives his or her personal information, no attempt will be made to redact the name; however, NIOSH will redact other personally identifiable information, such as contact information, social security numbers, case numbers, etc., of the commenter.

(2) If an individual in making a statement reveals personal information (*e.g.,* medical or employment information) about themselves that information will not usually be redacted. The NIOSH Freedom of Information Act (FOIA) coordinator will, however, review such revelations in accordance with the Federal Advisory Committee Act and if deemed appropriate, will redact such information.

(3) If a commenter reveals personal information concerning a living third party, that information will be reviewed by the NIOSH FOIA coordinator, and upon determination, if deemed appropriate, such information will be redacted, unless the disclosure is made by the third party's authorized representative under the Energy Employees Occupational Illness Compensation Program Act (EEOICPA) program.

(4) In general, information concerning a deceased third party may be disclosed; however, such information will be redacted if (a) the disclosure is made by an individual other than the survivor claimant, a parent, spouse, or child, or the authorized representative of the deceased third party; (b) it is unclear whether the third party is living or deceased; or (c) the information is unrelated or irrelevant to the purpose of the disclosure. The Board will take reasonable steps to ensure that individuals making public comment are aware of the fact that their comments (including their name, if provided) will appear in a transcript of the meeting posted on a public Web site. Such reasonable steps include: (a) A statement read at the start of each public comment period stating that transcripts will be posted and names of speakers will not be redacted; (b) A printed copy of the statement mentioned in (a) above will be displayed on the table where individuals sign up to make public comments; (c) A statement such as outlined in (a) above will also appear with the agenda for a Board Meeting when it is posted on the NIOSH Web site; (d) A statement such as in (a) above will appear in the **Federal Register** Notice that announces Board and Subcommittee meetings.

CONTACT PERSON FOR MORE INFORMATION: Theodore Katz, Designated Federal Officer, NIOSH, CDC, 1600 Clifton Road NE., MS E–20, Atlanta, Georgia 30333, telephone: (513)533–6800, toll free: 1–800–CDC–INFO, email: *dcas@cdc.gov.*

The Director, Management Analysis and Services Office, has been delegated the authority to sign **Federal Register** notices pertaining to announcements of meetings and other committee management activities, for both the Centers for Disease Control and Prevention and the Agency for Toxic Substances and Disease Registry.

Claudette Grant,

Acting Director, Management Analysis and Services Office, Centers for Disease Control and Prevention.

[FR Doc. 2017–14515 Filed 7–6–17; 4:15 pm]

BILLING CODE 4163–18–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Food and Drug Administration

[Docket No. FDA–2017–N–3331]

Arthritis Advisory Committee; Notice of Meeting; Establishment of a Public Docket; Request for Comments

AGENCY: Food and Drug Administration, HHS.

ACTION: Notice; establishment of a public docket; request for comments.

SUMMARY: The Food and Drug Administration (FDA or Agency) announces a forthcoming public advisory committee meeting of the Arthritis Advisory Committee. The general function of the committee is to provide advice and recommendations to the Agency on FDA's regulatory issues. The meeting will be open to the public. FDA is establishing a docket for public comment on this document.

DATES: The meeting will be held on August 3, 2017, from 8 a.m. to 1 p.m.

ADDRESSES: FDA White Oak Campus, 10903 New Hampshire Ave., Bldg. 31 Conference Center, the Great Room (Rm. 1503), Silver Spring, MD 20993. Answers to commonly asked questions including information regarding special accommodations due to a disability, visitor parking, and transportation may be accessed at: *https://www.fda.gov/AdvisoryCommittees/AboutAdvisoryCommittees/ucm408555.htm.*

FDA is establishing a docket for public comment on this document. The docket number is FDA–2017–N–3331.

The docket will close on August 2, 2017. Submit either electronic or written comments on this public meeting by August 2, 2017. Late, untimely filed comments will not be considered. Electronic comments must be submitted on or before August 2, 2017. The *https://www.regulations.gov* electronic filing system will accept comments until midnight Eastern Time at the end of August 2, 2017. Comments received by mail/hand delivery/courier (for written/paper submissions) will be considered timely if they are postmarked or the delivery service acceptance receipt is on or before that date.

Comments received on or before July 20, 2017, will be provided to the committee. Comments received after that date will be taken into consideration by the Agency. You may submit comments as follows:

Electronic Submissions

Submit electronic comments in the following way:

- *Federal eRulemaking Portal: https://www.regulations.gov.* Follow the instructions for submitting comments. Comments submitted electronically, including attachments, to *https://www.regulations.gov* will be posted to the docket unchanged. Because your comment will be made public, you are solely responsible for ensuring that your comment does not include any confidential information that you or a third party may not wish to be posted, such as medical information, your or anyone else's Social Security number, or confidential business information, such as a manufacturing process. Please note that if you include your name, contact information, or other information that identifies you in the body of your comments, that information will be posted on *https://www.regulations.gov.*
- If you want to submit a comment with confidential information that you do not wish to be made available to the public, submit the comment as a written/paper submission and in the manner detailed (see ''Written/Paper Submissions'' and ''Instructions'').

Written/Paper Submissions

Submit written/paper submissions as follows:

- *Mail/Hand delivery/Courier (for written/paper submissions):* Dockets Management Staff (HFA–305), Food and Drug Administration, 5630 Fishers Lane, Rm. 1061, Rockville, MD 20852.
- For written/paper comments submitted to the Dockets Management Staff, FDA will post your comment, as well as any attachments, except for information submitted, marked and identified, as confidential, if submitted as detailed in ''Instructions.''

Instructions: All submissions received must include the Docket No. FDA–2017–N–3331 for ''Arthritis Advisory Committee; Notice of Meeting; Establishment of a Public Docket; Request for Comments.'' Received comments, those filed in a timely manner (see **ADDRESSES**), will be placed in the docket and, except for those submitted as ''Confidential Submissions,'' publicly viewable at *https://www.regulations.gov* or at the Dockets Management Staff between 9 a.m. and 4 p.m., Monday through Friday.

- *Confidential Submissions*—To submit a comment with confidential information that you do not wish to be made publicly available, submit your comments only as a written/paper submission. You should submit two copies total. One copy will include the information you claim to be confidential with a heading or cover note that states **THIS DOCUMENT CONTAINS CONFIDENTIAL INFORMATION.** The Agency will review this copy, including the claimed confidential information, in its consideration of comments. The second copy, which will have the claimed confidential information redacted/blacked out, will be available for public viewing and posted on *https://www.regulations.gov.* Submit both copies to the Dockets Management Staff. If you do not wish your name and contact information to be made publicly available, you can provide this information on the cover sheet and not in the body of your comments and you must identify this information as ''confidential.'' Any information marked as ''confidential'' will not be disclosed except in accordance with 21 CFR 10.20 and other applicable disclosure law. For more information about FDA's posting of comments to public dockets, see 80 FR 56469, September 18, 2015, or access the information at: *https://www.gpo.gov/fdsys/pkg/FR-2015-09-18/pdf/2015-23389.pdf.*

Docket: For access to the docket to read background documents or the electronic and written/paper comments received, go to *https://www.regulations.gov* and insert the docket number, found in brackets in the heading of this document, into the ''Search'' box and follow the prompts and/or go to the Dockets Management Staff, 5630 Fishers Lane, Rm. 1061, Rockville, MD 20852.

FOR FURTHER INFORMATION CONTACT: Philip Bautista, Center for Drug Evaluation and Research, Food and Drug Administration, 10903 New Hampshire Ave., Bldg. 31, Rm. 2417, Silver Spring, MD 20993–0002, 301–796–9001, FAX: 301–847–8533, email: *AAC@fda.hhs.gov,* or FDA Advisory Committee Information Line, 1–800–741–8138 (301–443–0572 in the Washington, DC area). A notice in the **Federal Register** about last minute modifications that impact a previously announced advisory committee meeting cannot always be published quickly enough to provide timely notice. Therefore, you should always check the Agency's Web site at *https://www.fda.gov/AdvisoryCommittees/default.htm* and scroll down to the appropriate advisory committee meeting link, or call the advisory committee information line to learn about possible modifications before coming to the meeting.

SUPPLEMENTARY INFORMATION:

Agenda: The committee will discuss supplemental new drug applications (sNDAs) 203214 supplement 17, for XELJANZ (tofacitinib) tablets and 208246 supplement 3, for XELJANZ XR (tofacitinib) extended release tablets submitted by Pfizer Inc., for the treatment of adult patients with active psoriatic arthritis. The committee will discuss the efficacy and safety data and benefit-risk considerations.

FDA intends to make background material available to the public no later than 2 business days before the meeting. If FDA is unable to post the background material on its Web site prior to the meeting, the background material will be made publicly available at the location of the advisory committee meeting, and the background material will be posted on FDA's Web site after the meeting. Background material is available at *https://www.fda.gov/AdvisoryCommittees/Calendar/default.htm.* Scroll down to the appropriate advisory committee meeting link.

Procedure: Interested persons may present data, information, or views, orally or in writing, on issues pending before the committee. All electronic and written submissions submitted to the Docket (see the **ADDRESSES** section) on or before August 2, 2017, will be provided to the committee. Oral presentations from the public will be scheduled between approximately 10:45 a.m. and 11:45 a.m. Those individuals interested in making formal oral presentations should notify the contact person and submit a brief statement of the general nature of the evidence or arguments they wish to present, the names and addresses of proposed participants, and an indication of the approximate time requested to make

their presentation on or before July 12, 2017. Time allotted for each presentation may be limited. If the number of registrants requesting to speak is greater than can be reasonably accommodated during the scheduled open public hearing session, FDA may conduct a lottery to determine the speakers for the scheduled open public hearing session. The contact person will notify interested persons regarding their request to speak by July 13, 2017.

Persons attending FDA's advisory committee meetings are advised that the Agency is not responsible for providing access to electrical outlets.

FDA welcomes the attendance of the public at its advisory committee meetings and will make every effort to accommodate persons with disabilities. If you require accommodations due to a disability, please contact Philip Bautista at least 7 days in advance of the meeting.

FDA is committed to the orderly conduct of its advisory committee meetings. Please visit our Web site at *https://www.fda.gov/AdvisoryCommittees/AboutAdvisoryCommittees/ucm111462.htm* for procedures on public conduct during advisory committee meetings.

Notice of this meeting is given under the Federal Advisory Committee Act (5 U.S.C. app. 2).

Dated: June 29, 2017.

Anna K. Abram,

Deputy Commissioner for Policy, Planning, Legislation, and Analysis.

[FR Doc. 2017–14364 Filed 7–7–17; 8:45 am]

BILLING CODE 4164–01–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Food and Drug Administration

[Docket No. FDA–2016–N–1486]

Authorizations of Emergency Use of In Vitro Diagnostic Devices for Detection of Zika Virus; Availability; Correction

AGENCY: Food and Drug Administration, HHS.

ACTION: Notice; correction.

SUMMARY: The Food and Drug Administration is correcting a notice entitled ''Authorizations of Emergency Use of In Vitro Diagnostic Devices for Detection of Zika Virus; Availability'' that appeared in the **Federal Register** of June 30, 2017 (82 FR 29886). The document announced the issuance of two Emergency Use Authorizations for in vitro diagnostic devices for detection of the Zika virus in response to the Zika virus outbreak in the Americas. The document was published with the incorrect docket number. This document corrects that error.

FOR FURTHER INFORMATION CONTACT: Lisa Granger, Office of Policy and Planning, Food and Drug Administration, 10903 New Hampshire Ave., Bldg. 32, Rm. 3330, Silver Spring, MD 20993–0002, 301–796–9115.

SUPPLEMENTARY INFORMATION: In the **Federal Register** of Friday, June 30, 2017, in FR Doc. 2017–13720, on page 29866, the following correction is made:

1. On page 29866, in the first column, in the headings section at the beginning of the document, the docket number is corrected to read ''FDA–2016–N–1486''.

Dated: June 30, 2017.

Anna K. Abram,

Deputy Commissioner for Policy, Planning, Legislation, and Analysis.

[FR Doc. 2017–14365 Filed 7–7–17; 8:45 am]

BILLING CODE 4164–01–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

National Institutes of Health

Prospective Grant of Exclusive Patent License: Composition and Methods for Delivering Inhibitory Oligonucleotides for the Treatment of Pancreatic Cancer

AGENCY: National Institutes of Health, Department of Health and Human Services.

ACTION: Notice.

SUMMARY: The National Institute on Aging, an institute of the National Institutes of Health, Department of Health and Human Services, is contemplating the grant of an Exclusive Patent License to practice the inventions embodied in the U.S. Patents and Patent Applications listed in the Supplementary Information section of this notice to VeriLuce Therapeutics (''VLT'') located in Toronto, ON, Canada.

DATES: Only written comments and/or applications for a license which are received by the National Cancer Institute's Technology Transfer Center on or before July 25, 2017 will be considered.

ADDRESSES: Requests for copies of the patent application, inquiries, and comments relating to the contemplated Exclusive Patent License should be directed to: Surekha Vathyam, Ph.D., Senior Technology Transfer Manager, NCI Technology Transfer Center, 9609 Medical Center Drive, RM 1E530 MSC 9702, Bethesda, MD 20892–9702 (for business mail), Rockville, MD 20850–9702 Telephone: (240) 276–5530; Facsimile: (240) 276–5504 Email: *vathyams@mail.nih.gov.*

SUPPLEMENTARY INFORMATION:

Intellectual Property

- United States Provisional Patent Application No. 61/045,088, filed April 15, 2008, titled ''Composition and methods for delivering inhibitory oligonucleotides'', [HHS Reference No. E–051–2008/0–US–01], status: expired;
- International Patent Application No. PCT/US2009/040607, filed April 15, 2009, titled ''Composition and methods for delivering inhibitory oligonucleotides'', [HHS Reference No. E–051–2008/0–PCT–02], status: converted;
- Canadian Patent Application No. 2,720,363, filed April 15, 2009, titled ''Composition and methods for delivering inhibitory oligonucleotides'', [HHS Reference No. E–051–2008/0–CA–04], status: pending;
- United States Patent Application No. 12/988,148, filed March 8, 2011, titled ''Compositions and methods for delivering inhibitory oligonucleotides'' [HHS Reference No. E–051–2008/0–US–07], status: issued as Patent No. 8,703,921;
- United States Patent Application No. 14/220,726, filed March 20, 2014, titled ''Compositions and Methods for delivering inhibitory oligonucleotides'' [HHS Reference No. E–051–2008/0–US–08], status: issued as Patent No. 9,415,116; and
- United States Patent Application No. 15,204,789, filed July 7, 2016, titled ''Compositions and Methods for delivering inhibitory oligonucleotides'' [HHS Reference No. E–051–2008/0–US–11], status: pending.

The patent rights in these inventions have been assigned to the government of the United States of America.

The prospective exclusive license territory may be worldwide and the field of use may be limited to the use of Licensed Patent Rights for the following: ''Treatment of pancreatic cancer by targeting regulatory T cells using complexes or fusion molecules comprising inhibitory nucleic acids, a nucleic acid binding moiety and a targeting polypeptide, wherein the targeting polypeptide contains either the TARC/CCL17 or RANTES/CCL5 cell surface receptor ligand.''

Despite significant attractiveness of anti-sense oligonucleotide technology, its clinical application has been precluded by a lack of methods for targeted delivery and transduction of primary immune cells in vivo. Novel complexes and methods for delivering

inhibitory nucleic acids to cells in a targeted and efficient manner are disclosed in this invention. The complexes and methods are based on utilizing a cell surface receptor targeting ligand and a nucleic acid binding domain that binds an inhibitory nucleic acid, to efficiently deliver the inhibitory oligonucleotide to the cell that expresses the cell surface receptor targeting ligand. The compositions can be used to silence gene expression in a cell or to deliver agents to a target cell, thereby treating or preventing a disease or disorder.

The invention has broad utility as the cell surface receptor targeting ligand could be any molecule such as, cytokines, chemokines, antibodies or growth factors, that binds to a unique cellular receptor or cell surface antigen. Cytokines are small secreted proteins which mediate and regulate immunity, inflammation, and hematopoiesis. Chemokines are a family of small cytokines that are secreted by cells. They act on their target cells by binding specific membrane receptors. TARC/CCL17 and RANTES/CCL5 are examples of chemokines whose receptors are CCR4 and CCR5, respectively.

The complexes of this invention could inactivate immune cells by delivering oligonucleotides. For example, the TARC-nucleic acid binding domain complex referred to as TARC-arp, has been shown to deliver si-FoxP3 oligonucleotide into CCR4-expressing cancer cells that will specifically only inactivate FoxP3 expression. Chemokine-based gene silencing can be therapeutically used to modulate immune cells and improve outcome of diseases, such as by inactivating Tregs to block cancer escape and metastasis.

This notice is made in accordance with 35 U.S.C. 209 and 37 CFR part 404. The prospective Exclusive Patent License will be royalty bearing and may be granted unless within fifteen (15) days from the date of this published notice, the National Cancer Institute receives written evidence and argument that establishes that the grant of the license would not be consistent with the requirements of 35 U.S.C. 209 and 37 CFR part 404.

Complete applications for a license in the prospective field of use that are filed in response to this notice will be treated as objections to the grant of the contemplated Exclusive Patent License Agreement. Comments and objections submitted to this notice will not be made available for public inspection and, to the extent permitted by law, will not be released under the *Freedom of Information Act,* 5 U.S.C. 552.

Dated: June 27, 2017.

Richard U. Rodriguez,

Associate Director, Technology Transfer Center, National Cancer Institute.

[FR Doc. 2017–14370 Filed 7–7–17; 8:45 am]

BILLING CODE 4140–01–P

INTERNATIONAL TRADE COMMISSION

[USITC SE–17–027]

Sunshine Act Meeting

AGENCY HOLDING THE MEETING: United States International Trade Commission.

TIME AND DATE: July 12, 2017 at 11:00 a.m.

PLACE: Room 101, 500 E Street SW., Washington, DC 20436, Telephone: (202) 205–2000.

STATUS: Open to the public.

MATTERS TO BE CONSIDERED:

1. Agendas for future meetings: None.
2. Minutes.
3. Ratification List.
4. Vote in Inv. No. 731–TA–410 (Fourth Review) (Light-Walled Rectangular Pipe from Taiwan). The Commission is currently scheduled to complete and file its determination and views of the Commission by July 25, 2017.
5. Vote in Inv. No. 731–TA–703 (Fourth Review) (Furfuryl Alcohol from China). The Commission is currently scheduled to complete and file its determination and views of the Commission by July 28, 2017.
6. Outstanding action jackets: None.

In accordance with Commission policy, subject matter listed above, not disposed of at the scheduled meeting, may be carried over to the agenda of the following meeting.

By order of the Commission.

Issued: July 5, 2017.

William R. Bishop,

Supervisory Hearings and Information Officer.

[FR Doc. 2017–14450 Filed 7–6–17; 11:15 am]

BILLING CODE 7020–02–P

UNITED STATES INTERNATIONAL TRADE COMMISSION

[USITC SE–17–028]

Sunshine Act Meeting

AGENCY HOLDING THE MEETING: United States International Trade Commission.

TIME AND DATE: July 14, 2017 at 11:00 a.m.

PLACE: Room 101, 500 E Street SW., Washington, DC 20436, Telephone: (202) 205–2000.

STATUS: Open to the public.

MATTERS TO BE CONSIDERED:

1. Agendas for future meetings: none.
2. Minutes.
3. Ratification List.
4. Vote in Inv. Nos. 701–TA–579–580 and 731–TA–1369–1373 (Preliminary)(Fine Denier Polyester Staple Fiber from China, India, Korea, Taiwan, and Vietnam). The Commission is currently scheduled to complete and file its determinations on July 17, 2017; views of the Commission are currently scheduled to be completed and filed on July 24, 2017.
5. Vote in Inv. Nos. 701–TA–581 and 731–TA–1374–1376 (Preliminary) (Citric Acid and Certain Citrate Salts from Belgium, Colombia, and Thailand). The Commission is currently scheduled to complete and file its determinations on July 17, 2017; views of the Commission are currently scheduled to be completed and filed on July 24, 2017.
6. Outstanding action jackets: None.

In accordance with Commission policy, subject matter listed above, not disposed of at the scheduled meeting, may be carried over to the agenda of the following meeting.

By order of the Commission.

Issued: July 5, 2017.

William R. Bishop,

Supervisory Hearings and Information Officer.

[FR Doc. 2017–14449 Filed 7–6–17; 11:15 am]

BILLING CODE 7020–02–P

DEPARTMENT OF JUSTICE

[OMB Number 1122–0029]

Agency Information Collection Activities; Proposed eCollection eComments Requested; Extension of a Currently Approved Collection

AGENCY: Office on Violence Against Women, Department of Justice.

ACTION: 30-day notice.

SUMMARY: The Department of Justice, Office on Violence Against Women (OVW) will be submitting the following information collection request to the Office of Management and Budget (OMB) for review and approval in accordance with the Paperwork Reduction Act of 1995. The proposed information collection was previously published on May 18, 2017, allowing for a 60 day comment period.

DATES: Comments are encouraged and will be accepted for 30 days until August 9, 2017.

FOR FURTHER INFORMATION CONTACT: Written comments and/or suggestion

regarding the items contained in this notice, especially the estimated public burden and associated response time, should be directed to Cathy Poston, Office on Violence Against Women, at 202–514–5430 or *Catherine.poston@usdoj.gov.* Written comments and/or suggestions can also be sent to the Office of Management and Budget, Office of Information and Regulatory Affairs, Attention Department of Justice Desk Officer, Washington, DC 20530 or sent to *OIRA_submissions@omb.eop.gov.*

SUPPLEMENTARY INFORMATION: Written comments and suggestions from the public and affected agencies concerning the proposed collection of information are encouraged. Your comments should address one or more of the following four points:

(1) Evaluate whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility;

(2) Evaluate the accuracy of the agency's estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions used;

(3) Enhance the quality, utility, and clarity of the information to be collected; and

(4) Minimize the burden of the collection of information on those who are to respond, including through the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, *e.g.,* permitting electronic submission of responses.

Overview of This Information Collection

(1) *Type of Information Collection:* Extension of a currently approved collection.

(2) *Title of the Form/Collection:* Certification of Compliance with the Statutory Eligibility Requirements of the Violence Against Women Act as Amended and the Prison Rape Elimination Act for Applicants to the STOP Formula Grant Program.

(3) *Agency form number, if any, and the applicable component of the Department of Justice sponsoring the collection:* Form Number: 1122–0029. U.S. Department of Justice, Office on Violence Against Women.

(4) *Affected public who will be asked or required to respond, as well as a brief abstract:* Primary: The affected public includes STOP formula grantees (50 states, the District of Columbia and five territories (Guam, Puerto Rico, American Samoa, Virgin Islands, Northern Mariana Islands). The STOP Violence Against Women Formula Grant Program was authorized through the Violence Against Women Act of 1994 and reauthorized and amended by the Violence Against Women Act of 2000, the Violence Against Women Act of 2005 and the Violence Against Women Act of 2013. The purpose of the STOP Formula Grant Program is to promote a coordinated, multi-disciplinary approach to improving the criminal justice system's response to violence against women. It envisions a partnership among law enforcement, prosecution, courts, and victim advocacy organizations to enhance victim safety and hold offenders accountable for their crimes of violence against women. The Department of Justice's Office on Violence Against Women (OVW) administers the STOP Formula Grant Program funds which must be distributed by STOP state administrators according to statutory. As a result of VAWA 2013 and the penalty provision of the Prison Rape Elimination Act (PREA), States are required to certify compliance with PREA. If States cannot certify compliance, they have the option of forfeiting five percent of covered funds or executing an assurance that five percent of covered funds will be used towards coming into compliance with PREA.

(5) *An estimate of the total number of respondents and the amount of time estimated for an average respondent to respond/reply:* It is estimated that it will take the approximately 56 respondents (state administrators from the STOP Formula Grant Program) 10 minutes to complete a Certification of Compliance with the Statutory Eligibility Requirements of the Violence Against Women Act, as amended and the Prison Rape Elimination Act.

(6) *An estimate of the total public burden (in hours) associated with the collection:* The total annual hour burden to complete the Certification is less than 10 hours.

If additional information is required contact: Melody Braswell, Deputy Clearance Officer, United States Department of Justice, Justice Management Division, Policy and Planning Staff, Two Constitution Square, 145 N Street NE., 3E, 405B, Washington, DC 20530.

Dated: July 5, 2017.

Melody Braswell,

Department Clearance Officer, PRA, U.S. Department of Justice.

[FR Doc. 2017–14368 Filed 7–7–17; 8:45 am]

BILLING CODE 4410–FX–P

DEPARTMENT OF JUSTICE

Bureau of Justice Statistics

[OMB Number 1121–NEW]

Agency Information Collection Activities; Proposed eCollection; eComments Requested; New Collection: Supplemental Fraud Survey (SFS) to the National Crime Victimization Survey (NCVS) 2017

AGENCY: Bureau of Justice Statistics, Department of Justice.

ACTION: 30-day notice.

SUMMARY: Department of Justice (DOJ), Office of Justice Programs, Bureau of Justice Statistics, will be submitting the following information collection request to the Office of Management and Budget (OMB) for review and approval in accordance with the Paperwork Reduction Act of 1995. This proposed information collection was previously published on May 3, 2017 allowing for a 60 day comment period. Comments from the public were received during this period and are thoroughly addressed in the supporting statement for this collection.

DATES: Comments are encouraged and will be accepted for an additional 30 day until August 9, 2017.

FOR FURTHER INFORMATION CONTACT: If you have additional comments especially on the estimated public burden or associated response time, suggestions, or need a copy of the proposed information collection instrument with instructions or additional information, please contact Rachel Morgan, Statistician, Bureau of Justice Statistics, 810 Seventh Street NW., Washington, DC 20531 (email: *Rachel.Morgan@usdoj.gov;* telephone: 202–616–1707). Written comments and/or suggestions can also be sent to the Office of Management and Budget, Office of Information and Regulatory Affairs, Attention Department of Justice Desk Officer, Washington, DC 20503 or sent to *OIRA_submissions@omb.eop.gov.*

SUPPLEMENTARY INFORMATION: Written comments and suggestions from the public and affected agencies concerning the proposed collection of information are encouraged. Your comments should

address one or more of the following four points:

—Evaluate whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility;

—Evaluate the accuracy of the agencies 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.

Overview of This Information Collection

(1) *Type of Information Collection:* New collection.

(2) *Title of the Form/Collection:* Supplemental Fraud Survey (SFS) to the National Crime Victimization Survey (NCVS) 2017.

(3) *Agency form number, if any, and the applicable component of the Department sponsoring the collection:* The form number for the questionnaire is SFS–1. The applicable component within the Department of Justice is the Bureau of Justice Statistics, in the Office of Justice Programs.

(4) *Affected public who will be asked or required to respond, as well as a brief abstract:* Respondents will be persons age 18 or older living in households located throughout the United States sampled for the National Crime Victimization Survey (NCVS). The SFS will be conducted as a supplement to the NCVS in all sampled households for a three (3) month period. The SFS is an effort to measure the prevalence of financial fraud victimization among persons 18 or older, characteristics of fraud victims, and patterns of reporting fraud victimization to the police and other agencies. BJS plans to publish this information in reports and reference it when responding to queries from the U.S. Congress, Executive Office of the President, the U.S. Supreme Court, state officials, international organizations, researchers, students, the media, and others interested in criminal justice statistics.

(5) *An estimate of the total number of respondents and the amount of time estimated for an average respondent to respond/reply:* An estimate of the total number of respondents is 79,832. About 88% (70,252) will have no fraud victimization and will complete the short interview with an average burden of five (5) minutes. Among the 12% of respondents (9,580) who experience fraud victimization, the time to ask the detailed questions regarding the aspects of their fraud victimization is estimated to take an additional 10 minutes. Respondents will be asked to respond to this survey only once during the three month period.

(6) *An estimate of the total public burden (in hours) associated with the collection:* There are an estimated 8,015 total burden hours associated with this collection.

If additional information is required contact: Melody Braswell, Department Clearance Officer, United States Department of Justice, Justice Management Division, Policy and Planning Staff, Two Constitution Square, 145 N Street NE., Suite 3E.405B, Washington, DC 20530.

Dated: July 5, 2017.

Melody Braswell,

Department Clearance Officer, PRA, U.S. Department of Justice.

[FR Doc. 2017–14367 Filed 7–7–17; 8:45 am]

BILLING CODE 4410–18–P

DEPARTMENT OF LABOR

Bureau of Labor Statistics

Proposed Collection, Comment Request

AGENCY: Bureau of Labor Statistics, Labor.

ACTION: Notice.

SUMMARY: The Department of Labor, as part of its continuing effort to reduce paperwork and respondent burden, conducts a pre-clearance consultation program to provide the general public and Federal agencies with an opportunity to comment on proposed and/or continuing collections of information in accordance with the Paperwork Reduction Act of 1995 (PRA95). 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. The Bureau of Labor Statistics (BLS) is soliciting comments concerning the proposed new collection of the ''Quick Business Survey Operations Test.'' A copy of the proposed information collection request (ICR) can be obtained by contacting the individual listed below in the Addresses section of this notice.

DATES: Written comments must be submitted to the office listed in the Addresses section of this notice on or before September 8, 2017.

ADDRESSES: Send comments to Carol Rowan, BLS Clearance Officer, Division of Management Systems, Bureau of Labor Statistics, Room 4080, 2 Massachusetts Avenue NE., Washington, DC 20212. Written comments also may be transmitted by fax to 202–691–5111 (this is not a toll free number).

FOR FURTHER INFORMATION CONTACT: Carol Rowan, BLS Clearance Officer, at 202–691–7628 (this is not a toll free number). (See **ADDRESSES** section.)

SUPPLEMENTARY INFORMATION:

I. Background

The Bureau of Labor Statistics (BLS) intends to conduct an operations test of a Quick Business Survey (QBS). The BLS will conduct the test to evaluate QBS survey processes and operations in a possible production environment. If successful, a QBS would permit BLS to collect information about the U.S. economy more efficiently than is currently possible. This would allow data users to be able to understand the impact of specific events on the economy in a timely manner. Relevancy is one of BLS's main missions, and a QBS would allow BLS to provide information to the public in a more timely way that would be far more relevant to data users.

Each year, the Quarterly Census of Employment and Wages (QCEW) Program conducts the Annual Refiling Survey (ARS) by reaching out to approximately 1.2 million establishments requesting verification of their main business activity, and their mailing and physical location addresses. The fully web-based ARS provides a low-cost platform for conducting the QBS. The QBSs accompanying the ARS would have little data collection overhead, leveraging the address refinement, printing, and mailing efforts that are undertaken as part of the production ARS. Respondents already logged into the ARS secure Web site could be directed to a QBS and asked to answer a limited number of additional survey questions after completing the ARS.

II. Current Action

Office of Management and Budget clearance is being sought for the Quick Business Survey (QBS) Operations Test.

A QBS would allow BLS to leverage the multitude of information already known about the sample units to allow for targeted sampling. Samples could be selected based on different characteristics such as monthly employment, quarterly wages, industry codes, non-profit vs for profit status, etc. A QBS would permit BLS to target only the units meeting the specific set of characteristics desired allowing BLS to delve into specific areas of economic interest without burdening establishments which do not meet the specific targeted features. The QBS is designed to encourage a fast response and minimize respondent burden. In this manner, BLS can provide information that is needed quickly and is not collected elsewhere.

The goals of the test are to develop and evaluate a QBS system, to understand the extent to which ARS respondents have access to different types of information in order to provide parameters for future QBS, and to estimate response rates.

III. Desired Focus of Comments

The Bureau of Labor Statistics 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.
- 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.

Type of Review: New Collection.
Agency: Bureau of Labor Statistics.
Title: Quick Business Survey Operations Test.
OMB Number: 1220—NEW.
Affected Public: Businesses or other for-profit institutions, not-for-profit institutions, and farms.
Total Respondents: 10,520.
Frequency: One time.
Total Responses: 10,520.
Average Time per Response: Five minutes.
Estimated Total Burden Hours: 877 hours.
Total Burden Cost (capital/startup): $0.
Total Burden Cost (operating/maintenance): $0.

Comments submitted in response to this notice will be summarized and/or included in the request for Office of Management and Budget approval of the information collection request; they also will become a matter of public record.

Signed at Washington, DC, this 3rd day of July 2017.

Kimberley Hill,

Chief, Division of Management Systems, Bureau of Labor Statistics.

[FR Doc. 2017–14358 Filed 7–7–17; 8:45 am]

BILLING CODE 4510–24–P

DEPARTMENT OF LABOR

Bureau of Labor Statistics

Proposed Collection, Comment Request

ACTION: Notice.

SUMMARY: The Department of Labor, as part of its continuing effort to reduce paperwork and respondent burden, conducts a pre-clearance consultation program to provide the general public and Federal agencies with an opportunity to comment on proposed and/or continuing collections of information in accordance with the Paperwork Reduction Act of 1995 (PRA95). 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. The Bureau of Labor Statistics (BLS) is soliciting comments concerning the proposed extension of the ''Leave Supplement to the American Time Use Survey.'' A copy of the proposed information collection request (ICR) can be obtained by contacting the individual listed below in the **ADDRESSES** section of this notice.

DATES: Written comments must be submitted to the office listed in the **ADDRESSES** section of this notice on or before September 8, 2017.

ADDRESSES: Send comments to Erin Good, BLS Clearance Officer, Division of Management Systems, Bureau of Labor Statistics, Room 4080, 2 Massachusetts Avenue NE., Washington, DC 20212. Written comments also may be transmitted by fax to 202–691–5111 (this is not a toll free number).

FOR FURTHER INFORMATION CONTACT: Erin Good, BLS Clearance Officer, at 202–691–7763 (this is not a toll free number). (See **ADDRESSES** section.)

SUPPLEMENTARY INFORMATION:

I. Background

The American Time Use Survey (ATUS) is the Nation's first federally administered, continuous survey on time use in the United States. It measures, for example, time spent providing childcare, working, sleeping, or doing leisure activities. In the United States, several existing Federal surveys collect income and wage data for individuals and families, and analysts often use such measures of material prosperity as proxies for quality of life. Time-use data substantially augment these quality-of-life measures. The data also can be used in conjunction with wage data to evaluate the contribution of non-market work to national economies. This enables comparisons of production between nations that have different mixes of market and non-market activities.

The ATUS is used to develop nationally representative estimates of how people spend their time. This is done by collecting a time diary about the activities survey respondents did over a 24-hour period ''yesterday,'' from 4 a.m. on the day before the interview until 4 a.m. on the day of the interview. In the one-time interview, respondents also report who was with them during the activities, where they were, how long each activity lasted, and if they were paid. All of this information has numerous practical applications for sociologists, economists, educators, government policymakers, businesspersons, health researchers, and others.

The Leave Supplement supports the mission of the Bureau of Labor Statistics by providing relevant information on economic and social issues. The data from the Leave Supplement can be used for research on the relationships between work schedules, job flexibilities, access to leave, and time use. These data enhance the understanding of people's overall well-being. The supplement surveys employed wage and salary workers, except those who are self-employed, aged 15 and up, from a nationally representative sample of approximately 2,060 sample households each month.

The Leave Supplement collects data about workers' access to and use of paid and unpaid leave, job flexibility, and their work schedules. The Leave Supplement also includes questions about shift work, advance notice of work schedules, workers' control over

their schedules, flexible start and stop times, and work at home arrangements. These questions provide an additional dimension to analyses of workers' job flexibility data.

II. Current Action

Office of Management and Budget approval is being sought for the Leave Supplement to the American Time Use Survey. An extension without change of a currently approved collection is needed to continue collecting data on workers' access to and use of paid and unpaid leave, job flexibility, and their work schedules.

Collecting the Leave Supplement in 2018 will add significant information beyond what has been collected in 2017. An additional year of the Leave Supplement provides researchers with a larger sample by combining data across years. For some subpopulations, the number of observations needed to make valid statistical inferences exceeds the annual sample size.

III. Desired Focus of Comments

The Bureau of Labor Statistics 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.
- 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.

Type of Review: Extension without change of a currently approved collection.

Agency: Bureau of Labor Statistics.

Title: Leave Supplement to the American Time Use Survey.

OMB Number: 1220–0191.

Affected Public: Individuals or Households.

Total Respondents: 5,490.

Frequency: One time.

Total Responses: 5,490.

Average Time per Response: 5 minutes.

Estimated Total Burden Hours: 458 hours.

Total Burden Cost (capital/startup): $0.

Total Burden Cost (operating/maintenance): $0.

Comments submitted in response to this notice will be summarized and/or included in the request for Office of Management and Budget approval of the information collection request; they also will become a matter of public record.

Signed at Washington, DC, this 3rd day of July, 2017.

Kimberley Hill,

Chief, Division of Management Systems, Bureau of Labor Statistics.

[FR Doc. 2017–14359 Filed 7–7–17; 8:45 am]

BILLING CODE 4510–24–P

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

[17–048]

Notice of Information Collection

AGENCY: National Aeronautics and Space Administration (NASA).

ACTION: Notice of information collection

SUMMARY: The National Aeronautics and Space Administration, as part of its continuing effort to reduce paperwork and respondent burden, invites the general public and other Federal agencies to take this opportunity to comment on proposed and/or continuing information collections, as required by the Paperwork Reduction Act of 1995.

DATES: All comments should be submitted within 60 calendar days from the date of this publication.

ADDRESSES: All comments should be addressed to Frances Teel, National Aeronautics and Space Administration, Mail Code JF–000, Washington, DC 20546–0001.

FOR FURTHER INFORMATION CONTACT: Requests for additional information or copies of the information collection instrument(s) and instructions should be directed to Frances Teel, NASA Clearance Officer, NASA Headquarters, 300 E Street SW., JF0000, Washington, DC 20546.

SUPPLEMENTARY INFORMATION:

I. Abstract

The information submitted by recipients is an annual report of Government-owned property in the possession of Educational or Nonprofit institutions holding NASA grants. In addition the annual report, a property report may also be required at the end of the grant, or on the occurrence of certain events. The collected information is used by NASA to effectively maintain an appropriate internal control system for equipment and property provided or acquired under grants and cooperative agreements with institutions of higher education and other nonprofit organizations, and to comply with statutory requirements.

II. Method of Collection

NASA is participating in Federal efforts to extend the use of information technology to more Government processes via Internet.

III. Data

Title: Property Inventory Report—Grants with Educational and Nonprofit Entities (formerly titled: NASA Inventory Report: Property Management & Control, Grants).

OMB Number: 2700–0047.

Type of review: Reinstatement with Change/Previously Approved Information Collection.

Affected Public: Educational institutions and Not-for-profit institutions.

Estimated Number of Respondents: 255.

Estimated Time per Response: 2 hours per submission, and 8 hours of annual recordkeeping.

Estimated Total Annual Burden Hours: 2,014 hours.

Estimated Total Annual Cost: $78,104.60.

IV. Request for Comments

Comments are invited on: (1) Whether the proposed collection of information is necessary for the proper performance of the functions of NASA, including whether the information collected has practical utility; (2) the accuracy of NASA's estimate of the burden (including hours and cost) 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 respondents, including automated collection techniques or the use of other forms of information technology.

Comments submitted in response to this notice will be summarized and included in the request for OMB approval of this information collection. They will also become a matter of public record.

Frances Teel,

NASA PRA Clearance Officer.

[FR Doc. 2017–14363 Filed 7–7–17; 8:45 am]

BILLING CODE 7510–13–P

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

National Endowment for the Arts

Submission for OMB Review; Comment Request

AGENCY: National Endowment for the Arts.

ACTION: Notice.

SUMMARY: The National Endowment for the Arts, on behalf of the Federal Council on the Arts and the Humanities, will submit the following public information collection request (ICR) to the Office of Management and Budget (OMB) for review and approval in accordance with the Paperwork Reduction Act of 1995. Copies of this ICR, with applicable supporting documentation, may be obtained at *www.reginfo.gov*.

Comments should be sent to Office of Information and Regulatory Affairs, Attn: OMB Desk Officer for the National Endowment for the Arts, Office of Management and Budget, Room 10235, Washington, DC 20503 (202/395–4718), within thirty days of this publication in the **Federal Register**.

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 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 submissions of responses.

SUPPLEMENTARY INFORMATION: The Endowment requests the review of its application guidelines. This entry is issued by the Endowment and contains the following information: (1) The title of the form; (2) how often the required information must be reported; (3) who will be required or asked to report; (4) what the form will be used for; (5) an estimate of the number of responses; (6) the average burden hours per response; (7) an estimate of the total number of hours needed to prepare the form. This entry is not subject to 44 U.S.C. 3504(h).

Agency: National Endowment for the Arts.

Title: Application for Domestic Indemnification.

OMB Number: 3135–0123.

Frequency: Renewed every three years.

Affected Public: Non-profit, tax exempt organizations, and governmental units.

Number of Respondents: 18 per year.

Estimated Time per Respondent: 40 hours.

Estimate Cost per Respondent: $2,097.

Total Burden Hours: 720.

Total Annualized Capital/Startup Costs: 0.

Total Annual Costs (Operating/Maintaining Systems or Purchasing Services): $121,200.

Description: This application form is used by non-profit, tax-exempt organizations (primarily museums), and governmental units to apply to the Federal Council on the Arts and the Humanities (through the National Endowment for the Arts) for indemnification of eligible works of art and artifacts, borrowed from lenders in the United States for exhibition in the United States. The indemnity agreement is backed by the full faith and credit of the United States. In the event of loss or damage to an indemnified object, the Federal Council certifies the validity of the claim and requests payment from Congress. 20 U.S.C. 973 *et seq.* requires such an application and specifies information which must be supplied. This statutory requirement is implemented by regulation at 45 CFR ll60.4.

Dated: July 5, 2017.

Kathy Daum,

Director, Administrative Services Office, National Endowment for the Arts.

[FR Doc. 2017–14394 Filed 7–7–17; 8:45 am]

BILLING CODE 7537–01–P

POSTAL REGULATORY COMMISSION

[Docket Nos. MC2017–154 and CP2017–218]

New Postal Products

AGENCY: Postal Regulatory Commission.

ACTION: Notice.

SUMMARY: The Commission is noticing a recent Postal Service filing for the Commission's consideration concerning negotiated service agreements. This notice informs the public of the filing, invites public comment, and takes other administrative steps.

DATES: *Comments are due:* July 12, 2017.

ADDRESSES: Submit comments electronically via the Commission's Filing Online system at *http://www.prc.gov.* Those who cannot submit comments electronically should contact the person identified in the **FOR FURTHER INFORMATION CONTACT** section by telephone for advice on filing alternatives.

FOR FURTHER INFORMATION CONTACT: David A. Trissell, General Counsel, at 202–789–6820.

SUPPLEMENTARY INFORMATION:

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I. Introduction
II. Docketed Proceeding(s)

I. Introduction

The Commission gives notice that the Postal Service filed request(s) for the Commission to consider matters related to negotiated service agreement(s). The request(s) may propose the addition or removal of a negotiated service agreement from the market dominant or the competitive product list, or the modification of an existing product currently appearing on the market dominant or the competitive product list.

Section II identifies the docket number(s) associated with each Postal Service request, the title of each Postal Service request, the request's acceptance date, and the authority cited by the Postal Service for each request. For each request, the Commission appoints an officer of the Commission to represent the interests of the general public in the proceeding, pursuant to 39 U.S.C. 505 (Public Representative). Section II also establishes comment deadline(s) pertaining to each request.

The public portions of the Postal Service's request(s) can be accessed via the Commission's Web site (*http://www.prc.gov*). Non-public portions of the Postal Service's request(s), if any, can be accessed through compliance with the requirements of 39 CFR 3007.40.

The Commission invites comments on whether the Postal Service's request(s) in the captioned docket(s) are consistent with the policies of title 39. For request(s) that the Postal Service states concern market dominant product(s), applicable statutory and regulatory requirements include 39 U.S.C. 3622, 39 U.S.C. 3642, 39 CFR part 3010, and 39 CFR part 3020, subpart B. For request(s) that the Postal Service states concern competitive product(s), applicable statutory and regulatory requirements include 39 U.S.C. 3632, 39 U.S.C. 3633, 39 U.S.C. 3642, 39 CFR part 3015, and 39 CFR part 3020, subpart B. Comment

deadline(s) for each request appear in section II.

II. Docketed Proceeding(s)

1. *Docket No(s).:* MC2017–154 and CP2017–218; *Filing Title:* Request of the United States Postal Service to Add Priority Mail & First-Class Package Service Contract 47 to Competitive Product List and Notice of Filing (Under Seal) of Unredacted Governors' Decision, Contract, and Supporting Data; *Filing Acceptance Date:* July 3, 2017; *Filing Authority:* 39 U.S.C. 3642 and 39 CFR 3020.30 *et seq.; Public Representative:* Christopher C. Mohr; *Comments Due:* July 12, 2017.

This notice will be published in the **Federal Register**.

Ruth Ann Abrams,

Acting Secretary.

[FR Doc. 2017–14379 Filed 7–7–17; 8:45 am]

BILLING CODE 7710–FW–P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–81073; File No. SR–NYSE–2017–20]

Self-Regulatory Organizations; New York Stock Exchange LLC; Notice of Filing of Amendment No. 1 and Order Granting Accelerated Approval of a Proposed Rule Change, as Modified by Amendment No. 1, To Amend Listing Standards for Special Purpose Acquisition Companies To Change Its Requirements With Respect to the Approval of a Business Combination

July 3, 2017

I. Introduction

On May 1, 2017, the New York Stock Exchange LLC (''NYSE'' or ''Exchange'') 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 listing standards for Special Purpose Acquisition Companies (''SPACs'') [3] to amend the Exchange's listing standards with respect to its shareholder vote requirement for approval of a Business Combination. The proposed rule change was published for comment in the **Federal Register** on May 19, 2017.[4] On May 23, 2017, NYSE filed Amendment No. 1 with the Commission to amend and restate its proposal to, among other things, require a majority of a SPAC's independent directors to approve a Business Combination, until a SPAC has satisfied the Business Combination condition.[5] The Commission received no comments on the proposal. The Commission is publishing this notice on Amendment No. 1 and approving the proposed rule change, as modified by Amendment No. 1, on an accelerated basis.

II. Description of the Proposal, as Modified by Amendment No. 1

A. General Background on SPACs

A SPAC is a special purpose company that raises capital in an initial public offering (''IPO'') to enter into future undetermined business combinations (a ''Business Combination'') through mergers, capital stock exchanges, assets acquisitions, stock purchases, reorganizations or similar business combinations with one or more operating businesses or assets with a fair market value equal to at least 80% of the net assets of the SPAC held in trust (''Business Combination Condition''). Section 102.06 of the Manual sets forth the listing standards that apply to SPACs. In addition to requiring SPACs to meet certain quantitative standards, Section 102.06 of the Manual provides additional investor protection safeguards for shareholders investing in SPACs.[6]

B. Proposed Change to Shareholder Vote Requirements

Section 102.06 of the Manual sets forth, among other things, the approval process of SPAC Business Combinations. If the SPAC holds a shareholder vote on a Business Combination for which the SPAC must file and furnish a proxy or information statement subject to Regulation 14A or 14C under the Act in advance of the shareholding meeting, the Business Combination must be approved by a majority of the votes cast by public shareholders at the shareholder meeting at which the Business Combination is being considered.[7] Until the Business Combination Condition is met each Business Combination of a SPAC, utilizing the voting option,[8] must be approved by a majority of the public shareholders. The Exchange proposes to amend the approval requirement from a majority of the votes cast by public shareholders to a majority of the votes cast at the shareholder meeting at which the Business Combination is being considered.

C. Proposed Change To Require Independent Director Approval

The Exchange, in Amendment No. 1, also proposed to add a new requirement that each Business Combination to be approved by a majority of the SPAC's independent directors, until the SPAC satisfies the Business Combination Condition. The Exchange also made some clarifying changes to its proposal.[9]

The Exchange represented that its amended proposal would harmonize its SPAC listing standards with those of the NASDAQ Stock Market and NYSE MKT. NYSE stated that both the NASDAQ Stock Market and NYSE MKT have comparable voting and independent director requirements for SPACs as those being proposed by the Exchange in the amended filing.[10]

III. Solicitation of Comments on Amendment No. 1

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether Amendment No. 1 is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic Comments

- Use the Commission's Internet comment form (*http://www.sec.gov/rules/sro.shtml*); or
- Send an email to *rule-comments@sec.gov.* Please include File Number SR–NYSE–2017–20 on the subject line.

Paper Comments

- Send paper comments in triplicate to Brent J. Fields, Secretary, Securities and Exchange Commission, 100 F Street NE., Washington, DC 20549–1090.

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] The Commission notes that throughout this order we have used the term ''SPAC'' or ''SPACs'', but these terms have the same meaning as ''Acquisition Company'' or ''Acquisition Companies'' which are the terms used for listing, and continued listing, in Section 102.06 of the NYSE Listed Company Manual (''Manual'').

[4] *See* Securities Exchange Act Release No. 80677 (May 15, 2017), 82 FR 23123 (May 19, 2017) (''Notice'').

[5] In Amendment No. 1, the Exchange also proposed to add two new defined terms, ''Business Combination'' and ''Business Combination Condition'', using the existing language in Section 102.06 of the Manual, concerning listing standards for SPACs, as the definition for these defined terms. Therefore, these changes merely provided clarification and do not substantively change the SPAC standards or the Business Combination requirements for SPACs. *See also,* note 6, *infra.*

[6] *See also, NYSE* SPAC Continued Listing Standards, Section 802.01B.

[7] *See* Section 102.06(a) of the Manual. Shares held by directors, officers, or their immediate families and other concentrated holdings of 10 percent or more are excluded in calculating the number of publicly-held shares. *See* note (B) of Section 102.01 of the Manual.

[8] *See* note 15, *infra.*

[9] *See* note 5, *supra.*

[10] *See* NASDAQ IM 5101–2 and Section 119 of the NYSE MKT Company Guide.

All submissions should refer to File Number SR–NYSE–2017–20. This file number should be included on the subject line if email is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet Web site (*http://www.sec.gov/rules/sro.shtml*). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for Web site viewing and printing in the Commission's Public Reference Room, 100 F Street NE., Washington, DC 20549, on official business days between the hours of 10:00 a.m. and 3:00 p.m. Copies of the filing will also be available for inspection and copying at the principal office of the Exchange. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make publicly available. All submissions should refer to File Number SR–NYSE–2017–20 and should be submitted on or before July 31, 2017.

IV. Discussion and Commission's Findings

The Commission has carefully reviewed the proposed rule change, as modified by Amendment No. 1, and finds that it is consistent with the requirements of the Act and the rules and regulations thereunder applicable to a national securities exchange and, in particular, the requirements of Section 6(b) of the Act and the rules and regulations thereunder.[11] Specifically, the Commission finds that the proposal is consistent with the requirements of Sections 6(b)(5) of the Act,[12] in particular, in that it is 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; and is not designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

The proposal seeks to modify the requirements in the Manual with respect to how a SPAC may seek approval of a Business Combination in two ways. First, the Exchange is proposing to require a majority of all votes cast at a shareholder meeting to approve a Business Combination instead of a majority of votes cast by public shareholders. Second, the Exchange is proposing to require the approval of a majority of a SPAC's independent directors until the Business Combination Condition is satisfied.

The Commission notes that the proposed changes are substantially similar to previously approved requirements of the NASDAQ Stock Market and NYSE MKT.[13] These requirements have previously been subject to full public notice and comment period and have been found to be consistent with the Act. The Commission also notes, under the Exchange rules, that the public shareholders of an Exchange listed SPAC will continue to have a conversion right which allows them to convert their shares for a pro rata share of the cash held in the trust account if they vote against a Business Combination, provided that the Business Combination is approved and consummated.[14] The Commission believes that this provision should help to provide protections to those shareholders who have voted against the Business Combination. Moreover, requiring a majority of the independent directors to approve a Business Combination should provide further protection for public shareholders by including an additional level of review.

In approving the same provisions for the Nasdaq Stock Market that NYSE is proposing, the Commission stated that the conversion rights will help to ensure that public shareholders who disagree with management's decisions with respect to a Business Combination have adequate remedies. In addition, the Commission noted that requiring the majority of the independent directors to approve a Business Combination should help to ensure that a Business Combination is entered into by the SPAC after a fair and impartial decision. The Commission continues to believe that these two provisions together, in addition to the other requirements in the Exchange's SPAC listing and continued listing standards both prior to, at the time of and after a Business Combination, should continue to adequately protect public investors of SPACs upon approval of the Exchange's proposal.[15]

Based on the foregoing, the Commission finds that the proposed changes to SPAC listing standards are consistent with the requirements of the Act.

V. Accelerated Approval of the Proposal, as Modified by Amendment No. 1

The Commission finds good cause, pursuant to Section 19(b)(2) of the Act,[16] for approving the proposed rule change, as modified by Amendment No. 1 thereto, prior to the 30th day after publication of Amendment No. 1 in the **Federal Register**. Amendment No. 1 requires a majority of a SPAC's independent directors to approve a Business Combination, until a SPAC has satisfied the Business Combination Condition and contains additional clarifying amendments.[17] The Commission notes that the remainder of the proposed rule change is not being amended and was subject to a full notice-and-comment period. The Commission further notes that Amendment No. 1 would bring the proposal to align with the requirements of other national securities exchanges, whose proposals were subject to notice and comment, and does not raise any novel regulatory concerns. Accordingly, the Commission finds that good cause exists to approve the proposal, as modified by Amendment No. 1, on an accelerated basis.

[11] 15 U.S.C. 78f. In approving this proposed rule change, the Commission has considered the proposed rule change's impact on efficiency, competition, and capital formation. *See* 15 U.S.C. 78c(f).

[12] 15 U.S.C. 78f(b)(5).

[13] *See* Securities Exchange Act Release No. 58228 (July 25, 2008), 73 FR 44794 (July 31, 2008) (SR–Nasdaq–2008–013) and Securities Exchange Act Release No. 63366 (November 23, 2010), 75 FR 74119 (November 30, 2010) (SR–NYSEAmex–2010–103). SR–NYSEAmex–2010–103 filing was noticed and immediately effective upon filing. This was a copycat filing of the previously approved SR–Nasdaq–2008–013 and was filed under Section 19(b)(3)(A)(iii) of the Act and Rule 19b–4(f)(6). *See* 17 CFR 240.19b–4(f)(6).

[14] *See* Section 102.06(b) of the Manual.

[15] The Commission notes that amending the vote requirement for approval of a Business Combination to all shareholders rather than public shareholders may also help prevent greenmail situations that have arisen over recent years with SPACs. NYSE recently adopted a tender offer option for a SPAC to complete a Business Combination, rather than a shareholder vote, to address greenmail concerns. Greenmail is a situation where a particular, or group of, hedge funds and other activist investors employ a strategy of acquiring an interest in a SPAC. These SPAC investors then use their voting rights as a threat to block a proposed Business Combination unless additional consideration is provided to them which is not provided to other shareholders. *See* Securities Exchange Act Release No. 80199 (March 10, 2017), 82 FR 13905, 13907 (March 15, 2017) (The Commission approving a SPAC related filing describing the threat of greenmail).

[16] 15 U.S.C. 78s(b)(2).

[17] *See* note 5, *supra*.

VI. Conclusion

It is therefore ordered that pursuant to Section 19(b)(2) of the Act[18] that the proposed rule change, as modified by Amendment No. 1, (SR–NYSE–2017–20) be, and hereby is, approved.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[19]

Eduardo A. Aleman,

Assistant Secretary.

[FR Doc. 2017–14341 Filed 7–7–17; 8:45 am]

BILLING CODE 8011–01–P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–81072; File No. SR–BatsBZX–2017–34]

Self-Regulatory Organizations; Bats BZX Exchange, Inc.; Notice of Designation of a Longer Period for Commission Action on Proposed Rule Change To Introduce Bats Market Close, a Closing Match Process for Non-BZX Listed Securities Under New Exchange Rule 11.28

July 3, 2017.

On May 5, 2017, Bats BZX Exchange, Inc. (''BZX'' or ''Exchange'') 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 adopt Bats Market Close, a closing match process for non-BZX Listed Securities.[3] The proposed rule change was published for comment in the **Federal Register** on May 22, 2017.[4] The Commission has received 14 comments on the proposal.[5]

Section 19(b)(2) of the Act[6] provides that within 45 days of the publication of notice of the filing of a proposed rule change, or within such longer period up 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 after publication of the notice for this proposed rule change is July 6, 2017. The Commission is extending the 45-day time period for Commission action on the proposed rule change.

The Commission finds it appropriate to designate a longer period within which to take action on the proposed rule change so that it has sufficient time to consider this proposed rule change and the comments received. Accordingly, the Commission, pursuant to section 19(b)(2) of the Act,[7] designates August 20, 2017, 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–BatsBZX–2017–34).

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[8]

Eduardo Aleman,

Assistant Secretary.

[FR Doc. 2017–14340 Filed 7–7–17; 8:45 am]

BILLING CODE 8011–01–P

SOCIAL SECURITY ADMINISTRATION

[Docket No. SSA 2016–0048]

Privacy Act of 1974; Matching Program

AGENCY: Social Security Administration (SSA).

ACTION: Notice of a New Matching Program.

SUMMARY: In accordance with the provisions of the Privacy Act, as amended, this notice announces a re-establishment of an existing computer matching program that we are currently conducting with CMS.

DATES: The deadline to submit comments on the proposed matching program is 30 days from the date of publication of this notice. The matching program will be effective on July 1, 2017 and will expire on December 31, 2018.

ADDRESSES: Interested parties may comment on this notice by either telefaxing to (410) 966–0869, writing to Mary Ann Zimmerman, Acting Executive Director, Office of Privacy and Disclosure, Office of the General Counsel, Social Security Administration, 617 Altmeyer Building, 6401 Security Boulevard, Baltimore, MD 21235–6401, or email at *Mary.Ann.Zimmerman@ssa.gov.* All comments received will be available for public inspection at this address.

FOR FURTHER INFORMATION CONTACT: Interested parties may submit general questions about the matching program to Mary Ann Zimmerman, Acting Executive Director, Office of Privacy and Disclosure, Office of the General Counsel, by any of the means shown above.

SUPPLEMENTARY INFORMATION: The Computer Matching and Privacy Protection Act of 1988 (Public Law (Pub. L.) 100–503), amended the Privacy Act (5 U.S.C. 552a) by describing the conditions under which computer matching involving the Federal government could be performed and adding certain protections for persons applying for, and receiving, Federal benefits. Section 7201 of the Omnibus Budget Reconciliation Act of 1990 (Pub. L. 101–508) further amended the Privacy Act regarding protections for such persons.

The Privacy Act, as amended, regulates the use of computer matching by Federal agencies when records in a system of records are matched with other Federal, State, or local government records. It requires Federal agencies involved in computer matching programs to:

(1) Negotiate written agreements with the other agency or agencies participating in the matching programs;

(2) Obtain approval of the matching agreement by the Data Integrity Boards of the participating Federal agencies;

(3) Publish notice of the computer matching program in the **Federal Register**;

(4) Furnish detailed reports about matching programs to Congress and OMB;

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[18] 15 U.S.C. 78s(b)(2).

[19] 17 CFR 200.30–3(a)(12).

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] A BZX Listed security is a security listed on the Exchange pursuant to Chapter 14 of the Exchange's Rules and includes both corporate listed securities and Exchange Traded Products (''ETPs'').

[4] *See* Exchange Act Release No. 80683 (May 16, 2017), 82 FR 23320.

[5] *See* Letters to Brent J. Fields, Secretary, Commission, from: (1) Donald K. Ross, Jr., Executive Chairman, PDQ Enterprise, LLC, dated June 6, 2017; (2) Edward S. Knight, Executive Vice President and General Counsel, Nasdaq, Inc., dated June 12, 2017; (3) Ray Ross, Chief Technology Officer, Clearpool Group, dated June 12, 2017; (4) Venu Palaparthi, SVP, Compliance, Regulatory and Government Affairs, Virtu Financial, dated June 12, 2017; (5) Theodore R. Lazo, Managing Director and Associate General Counsel, SIFMA, dated June 13, 2017; (6) Elizabeth K. King, General Counsel and Corporate Secretary, New York Stock Exchange, dated June 13, 2017; (7) John M. Bowers, Bowers Securities, dated June 14, 2017; (8) Jonathan D. Corpina, Senior Managing Partner, Meridian Equity Partners, dated June 16, 2017; (9) Fady Tanios, Chief Executive Officer, and Brian Fraioli, Chief Compliance Officer, Americas Executions, LLC, dated June 16, 2017; (10) Ari M. Rubenstein, Co-Founder and Chief Executive Officer, GTS Securities LLC, dated June 22, 2017; (11) John Ramsay, Chief Market Policy Officer, Investors Exchange LLC, dated June 23, 2017; (12) Jay S. Sidhu, Chairman, Chief Executive Officer, Customers Bancorp, Inc., dated June 27, 2017; (13) Joanne Freiberger, Vice President, Treasurer, Masonite International Corporation, dated June 27, 2017; and (14) David B. Griffith, Investor Relations Manager, Orion Group Holdings, Inc., dated June 27, 2017.

[6] 15 U.S.C. 78s(b)(2).

[7] *Id.*

[8] 17 CFR 200.30–3(a)(31).

(5) Notify applicants and beneficiaries that their records are subject to matching; and

(6) Verify match findings before reducing, suspending, terminating, or denying a person's benefits or payments.

We have taken action to ensure that all of our computer matching programs comply with the requirements of the Privacy Act, as amended.

Mary Ann Zimmerman,

Acting Executive Director, Office of Privacy and Disclosure, Office of the General Counsel.

PARTICIPATING AGENCIES:

SSA and CMS

AUTHORITY FOR CONDUCTING THE MATCHING PROGRAM:

The legal authority for this matching program is section 202 of the Act (42 U.S.C. 402), which outlines the requirements for eligibility to receive Old-Age, Survivors, and Disability Insurance Benefits under Title II of the Act. Section 205(c) of the Act (42 U.S.C. 405) directs the Commissioner of Social Security to verify the eligibility of a beneficiary.

PURPOSE(S):

The purpose of this matching program is to set forth the terms, conditions, and safeguards under which CMS will disclose to SSA Medicare identifying and non-utilization information for Social Security Title II beneficiaries aged 90 and above.

CMS will identify Medicare enrollees whose records have been inactive for three or more years. We will use this data as an indicator to select and prioritize cases for review to determine continued eligibility for benefits under Title II of the Social Security Act (Act). We will contact these individuals to verify ongoing eligibility. We will refer individual cases of suspected fraud, waste, or abuse to the Office of the Inspector General for investigation.

CATEGORIES OF INDIVIDUALS:

The individuals whose information is involved in this matching program are Social Security Title II beneficiaries aged 90 and above. CMS will identify Medicare enrollees whose records have been inactive for three or more years. We will use this data as an indicator to select and prioritize cases for review to determine continue eligibility for benefits under Title II of the Act.

CATEGORIES OF RECORDS:

We will provide CMS with a finder file containing the following information for each individual:

a. Title II Claim Account Number,

b. Title II Beneficiary Identification Code,

c. Name, and

d. Date of birth

CMS' response file will contain the following information for each individual:

a. CMS File Number

b. Whether CMS matched Beneficiary

c. Whether Medicare Used in Last 3 Years

d. Whether the beneficiary is a part of an Health Maintenance Organization

e. Whether the beneficiary lives in a Nursing Home, as defined in 42 CFR 483.5

f. Whether the beneficiary has Private Health Insurance

SYSTEM(S) OF RECORDS:

We will disclose to CMS information from Master Beneficiary Record (MBR) (60–0090), published January 11, 2006 (71 FR 1826) and updated on December 10, 2007 (72 FR 69723) and July 5, 2013 (78 FR 40542).

CMS will disclose to us information from the following SORs: National Claims History (NCH) (09–70–0558), published November 20, 2006 (71 FR 67137); Enrollment Data Base (EDB) (09–70–0502), published February 26, 2008 at 73 FR 10249; and Long Term Care—Minimum Data Set (MDS) (90–70–0528), published March 19, 2007 at 72 FR 12801.

SSA's and CMS's SORs have routine uses permitting the disclosures needed to conduct this match.

[FR Doc. 2017–14346 Filed 7–7–17; 8:45 am]

BILLING CODE 4191–02–P

OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE

[Docket No. USTR–2017–0009]

Results of the 2016/2017 Annual Generalized System of Preferences Review and Initiation of a Country Practice Review of Bolivia

AGENCY: Office of the United States Trade Representative.

ACTION: Notice.

SUMMARY: The Office of the United States Trade Representative (USTR) is announcing the results of the 2016/2017 Annual Generalized System of Preferences (GSP) Review with respect to: Products considered for addition to the list of eligible products for GSP; products considered for removal from the list of eligible products for certain beneficiary countries; decisions related to competitive need limitations (CNLs), including petitions for waivers of CNLs; and requests for re-designations of products previously excluded from GSP eligibility for certain countries. USTR also is announcing the initiation of a country practice review regarding child labor in the Plurinational State of Bolivia (Bolivia) including the schedule for public comments and a public hearing.

DATES: *September 26, 2017:* The GSP Subcommittee of the Trade Policy Staff Committee (TPSC) will convene a public hearing on the GSP country practice review of Bolivia in Rooms 1 and 2, 1724 F Street NW., Washington DC 20508, beginning at 10:00 a.m.

September 5, 2017 at midnight EST: Deadline for submission of comments, pre-hearing briefs and requests to appear at the September 26, 2017, public hearing.

October 17, 2017 at midnight EST: Deadline for submission of post-hearing briefs.

ADDRESSES: USTR strongly prefers electronic submissions made through the Federal eRulemaking Portal: *https://www.regulations.gov.* Follow the instructions for submitting comments in section C.3 below. The docket number is USTR–2017–0009. For alternatives to on-line submissions, please contact Naomi Freeman at (202) 395–2974.

FOR FURTHER INFORMATION CONTACT: Direct all questions regarding this notice to Naomi Freeman, Director for GSP at (202) 395–2974 or *Naomi_S_Freeman@ustr.eop.gov.* The fax number is (202) 395–9674.

SUPPLEMENTARY INFORMATION:

A. Background

The GSP program provides for the duty-free treatment of designated articles when imported from beneficiary developing countries. The GSP program is authorized by Title V of the Trade Act of 1974 (19 U.S.C. 2461 *et seq.*), as amended, and is implemented in accordance with Executive Order 11888 of November 24, 1975, as modified by subsequent Executive Orders and Presidential Proclamations.

B. Results of the 2016/2017 Annual GSP Review

In the 2016/2017 Annual GSP Review, the TPSC reviewed (1) petitions to add seven products to the list of those eligible for duty-free treatment under GSP; (2) a petition to remove the GSP eligibility of one product; (3) a petition to waive the CNL for a product from a beneficiary country; (4) products eligible for *de minimis* waivers of CNLs; and (5) requests for re-designation of products previously excluded from GSP

eligibility for certain beneficiary countries.

In Presidential Proclamation 9625 of June 29, 2017, the President implemented his decisions regarding GSP product eligibility issues arising out of the 2016/2017 Annual GSP Review, including CNL waivers and product re-designations. This notice provides further information on the results of the 2016/2017 Annual GSP Review. You can view these results, comprising five lists, *https://www.regulations.gov* in docket USTR–2016–0009, under ''Supporting and Related Materials'' and at *https://ustr.gov/issue-areas/preference-programs/generalized-system-preferences-gsp/current-reviews/gsp-20162017.*

The President added 23 travel and luggage goods products to the list of products eligible for duty-free treatment for all beneficiary developing countries (BDCs). The President also added rolled or flaked grains of cereals, other than barley or oats (HTS 1104.19.90); saturated acyclic monocarboxylic acids (HTS 2915.90.18); finishing agents, dye carriers and other preparations used in leather and like industries, <5% by weight aromatic (mod.) substance(s) (HTS 3809.93.50); cellulose nitrates (including collodions), in primary forms (also referred to as nitrocellulose) (HTS 3912.20.00); and essential oils of lemon (HTS 3301.13.00), to the list of products eligible for duty-free treatment for all BDCs. The last product was deferred from the 2015/2016 annual review. The petitions to make pineapples, otherwise prepared or preserved (HTS 2008.20.00) eligible for duty free treatment under GSP and to make high-carbon ferromanganese (HTS 7202.11.50) eligible for duty free treatment under GSP for all BDCs were denied. *See* List I (Decisions on Petitions to Add a Product to the List of Eligible Products for GSP).

The President removed glycine (HTS 2922.49.40.20) from GSP eligibility for all BDCs. *See* List II (Decision on Petition to Remove a Product from GSP eligibility). To reflect this change, glycine imported into the United States now falls under the new HTS 2922.49.43. Articles that exceeded the CNLs in 2016 and that, effective July 1, 2017, are excluded from GSP eligibility when imported from a specific beneficiary country are described in List III (Products Newly Subject to Exclusion by Competitive Need Limitation). These products are HTS 2933.99.22, other heterocyclic aromatic or modified aromatic pesticides with nitrogen hetero-atom(s) only, from India; and 6801.00.00 setts, curbstones and flagstones, of natural stone (except slate) from Turkey.

The President granted a petition for a waiver of the CNL for coniferous wood continuously shaped along any of its ends, whether or not also continuously shaped along any of its edges or faces (HTS 4409.10.05) from Brazil. *See* List IV (Products Receiving a Waiver of the Competitive Need Limitation).

The President granted *de minimis* waivers to 100 articles that exceeded the 50-percent import-share CNL but for which the aggregate value of all U.S. imports of that article was below the 2016 *de minimis* level of $23 million. *See* List V (Decisions on Products Eligible for De Minimis Waivers). The articles for which *de minimis* waivers were granted will continue to be eligible for duty-free treatment under GSP when imported from the associated countries. No products previously excluded from GSP eligibility for certain countries were re-designated as eligible for GSP as a result of the 2016/2017 Annual Review.

C. Initiation of a Country Practice Review of Bolivia

1. Background

The GSP Subcommittee of the TPSC will lead a review of the eligibility of Bolivia for benefits under the GSP. The GSP Subcommittee will review Bolivia's implementation of its commitments to eliminate the worst forms of child labor, and the steps it has taken to afford internationally recognized worker rights, including a minimum age for the employment of children pursuant to the Trade Act of 1974, 19 U.S.C. 2462(b)(2)(H) and 19 U.S.C. 2462(b)(2)(G), respectively. The country practice review is undertaken on the recommendation of the TPSC pursuant to 15 CFR 2007.0(f). According to public reporting by the U.S. Department of Labor and the U.S. Department of State, the Government of Bolivia, in 2014, adopted a new Code for Children and Adolescents, which amended the previous code to lower the working age for children to 10 years old for self-employed workers, and to 12 years old for those in an employment relationship, under certain situations. U.S. government reporting also notes concerns about Bolivia's efforts to enforce its national labor laws and to make effective protections for working children as provided for in its labor laws. According to the U.S. Department of Labor's 2015 Findings on the Worst Forms of Child Labor, *https://www.dol.gov/agencies/ilab/resources/reports/child-labor/bolivia,* the Offices of the Child Advocate, which are required by the Code for Children and Adolescents to authorize child work and assist victims of child labor, are absent or underfunded in many municipalities, leaving some children potentially unprotected and vulnerable to the worst forms of child labor. Additionally, the report questions whether the number of labor inspectors is sufficient to inspect for violations of child labor laws nationwide. Bolivia's changes to its labor laws, and the extent of Bolivia's efforts to combat child labor and eliminate the worst forms of child labor, raise questions about the compliance of Bolivia's laws and practices with mandatory country eligibility criteria as defined in 19 U.S.C. 2462(b)(2)(H)–(G).

In undertaking the review, the TPSC also notes discussions held in international fora, such as the International Labor Organization, public media reporting, and public reporting by non-governmental organizations. The goal of this action is to review Bolivia's child labor laws and practices to determine whether Bolivia's current law and practices meet the GSP eligibility criteria.

2. Notice of Public Hearing

The GSP Subcommittee will hold a hearing on September 26, 2017, beginning at 10:00 a.m., to receive information regarding the country practice review of Bolivia. The hearing will be held in Rooms 1 and 2, 1724 F Street NW., Washington, DC 20508 and will be open to the public and to the press. We will make a transcript of the hearing available on *https://www.regulations.gov* within approximately two weeks after the date of the hearing.

All interested parties wishing to make an oral presentation at the hearing must submit, following the ''Requirements for Submissions'' set out below, the name, address, telephone number, and email address, if available, of the witness(es) representing their organization by midnight on September 5, 2017. Requests to present oral testimony must be accompanied by a written brief or summary statement, in English. The GSP Subcommittee will limit oral testimony before the GSP Subcommittee to five-minute presentations that summarize or supplement information contained in briefs or statements submitted for the record. The GSP Subcommittee will accept post-hearing briefs or statements if they conform with the requirements set out below and are submitted in English, by midnight on October 17, 2017. Parties not wishing to appear at the public hearing may submit pre-hearing and post-hearing briefs or comments by these deadlines.

In order to be assured of consideration, you must submit all post-hearing briefs or statements by the October 17, 2017 deadline to docket number USTR–2017–0009 via *https://www.regulations.gov/.* However, if there are new developments or information that parties wish to share with the GSP Subcommittee after this date, the regulations.gov docket will remain open until a final decision is made. Post all comments, letters, or other submissions related to Bolivia's eligibility review to docket number USTR–2017–0009 via *https://www.regulations.gov/.*

3. Requirements for Submissions

All submissions in response to this notice must conform to the GSP regulations set forth at 15 CFR part 2007 (*https://www.ecfr.gov/cgi-bin/text-idx?SID=271bd12a5ef9cae0c4c178d1131ac292&mc=true&node=pt15.3.2007&rgn=div5*), except as modified below.

The GSP Subcommittee strongly encourages on-line submissions, using the *https://www.regulations.gov* Web site. All submissions must be in English and must be transmitted electronically via *www.regulations.gov* using docket number USTR–2017–0009. To make a submission via *www.regulations.gov,* enter docket number USTR–2017–0009 on the home page and click ''search.'' The site will provide a search-results page listing all documents associated with this docket. Find a reference to this notice and click on the link entitled ''Comment Now!'' For further information on using the *www.regulations.gov* Web site, please consult the resources provided on the Web site by clicking on ''How to Use Regulations.gov'' on the bottom of the home page. We will not accept hand-delivered submissions.

The *https://www.regulations.gov* Web site allows users to provide comments by filling in a ''Type Comment'' field, or by attaching a document using an ''Upload File'' field. The GSP Subcommittee prefers that you provide submissions as an attached document. If a document is attached, please type ''GSP Review of Bolivia'' in the ''Type Comment'' field. USTR prefers submissions in Microsoft Word (.doc) or Adobe Acrobat (.pdf) format. If the submission is in another file format, please indicate the name of the software application in the ''Type Comment'' field. File names should reflect the name of the person or entity submitting the comments. Please do not attach separate cover letters to electronic submissions; rather, include any information that might appear in a cover letter in the comments themselves. Similarly, to the extent possible, please include any exhibits, annexes, or other attachments in the same file as the comment itself, rather than submitting them as separate files. Submissions should not exceed 30 single-spaced, standard letter-size pages in 12-point type, including attachments.

For any comments submitted electronically containing business confidential information, the file name of the business confidential version should begin with the characters ''BC''. Any page containing business confidential information must be clearly marked ''BUSINESS CONFIDENTIAL'' on the top of that page and the submission should clearly indicate, via brackets, highlighting, or other means, the specific information that is business confidential. A filer requesting business confidential treatment must certify that the information is business confidential and would not customarily be released to the public by the submitter. Additionally, the submitter should type ''Business Confidential GSP Review of Bolivia'' in the ''Type Comment'' field. Filers of submissions containing business confidential information also must submit a public version of their comments that we will place in the docket for public inspection. The file name of the public version should begin with the character ''P''. The ''BC'' and ''P'' should be followed by the name of the person or entity submitting the comments. Filers submitting comments containing no business confidential information should name their file using the name of the person or entity submitting the comments.

You will receive a submission tracking number upon completion of the submissions procedure at *https://www.regulations.gov.* The tracking number is your confirmation that the submission was received into *https://www.regulations.gov.* The GSP Subcommittee is not able to provide technical assistance for the Web site. The GSP Subcommittee may not consider documents that are not submitted in accordance with these instructions.

As noted, the GSP Subcommittee strongly urges submitters to file comments through *www.regulations.gov.* You must make any alternative arrangements with Naomi Freeman in advance of transmitting a comment. You can contact Ms. Freeman at (202) 395–2974.

We will post comments in the docket for public inspection, except business confidential information. You can view comments on the *https://www.regulations.gov* Web site by entering the relevant docket number in the search field on the home page.

Erland Herfindahl,

Deputy Assistant U.S. Trade Representative for the Generalized System of Preferences and Chair of the GSP Subcommittee of the Trade Policy Staff Committee, Office of the U.S. Trade Representative.

[FR Doc. 2017–14369 Filed 7–7–17; 8:45 am]

BILLING CODE 3290–F7–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

[Summary Notice No. PE–2017–49]

Petition for Exemption; Summary of Petition Received; Rolls-Royce plc

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

ACTION: Notice of petition for exemption received.

SUMMARY: This notice contains a summary of a petition seeking relief from specified requirements of Title 14, Code of Federal Regulations (14 CFR). The purpose of this notice is to improve the public's awareness of, and participation in, the FAA's exemption process. Neither publication of this notice nor the inclusion or omission of information in the summary is intended to affect the legal status of the petition or its final disposition.

DATES: Comments on this petition must identify the petition docket number and must be received on or before July 20, 2017.

ADDRESSES: Send comments identified by docket number FAA–2017–0642 using any of the following methods:

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

Privacy: In accordance with 5 U.S.C. 553(c), DOT solicits comments from the public to better inform its rulemaking

process. DOT posts these comments, without edit, including any personal information the commenter provides, to *http://www.regulations.gov,* as described in the system of records notice (DOT/ALL–14 FDMS), which can be reviewed at *http://www.dot.gov/privacy*.

Docket: Background documents or comments received may be read at *http://www.regulations.gov* at any time. Follow the online instructions for accessing the docket or go to the Docket Operations in Room W12–140 of the West Building Ground Floor at 1200 New Jersey Avenue SE., Washington, DC 20590–0001, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

FOR FURTHER INFORMATION CONTACT: Tara Fitzgerald, Federal Aviation Administration, Engine and Propeller Directorate, Standards Staff, ANE–112, 1200 District Avenue, Burlington, Massachusetts 01803–5529; (781) 238–7130; facsimile: (781) 238–7199; email: *tara.fitzgerald@faa.gov*.

This notice is published pursuant to 14 CFR 11.85.

Issued in Burlington, Massachusetts, on June 28, 2017.

Carlos A. Pestana,

Acting Manager, Engine and Propeller Directorate, Aircraft Certification Service.

Petition for Exemption

Docket No.: FAA–2017–0642.

Petitioner: Rolls-Royce plc.

Section(s) of 14 CFR Affected: 14 CFR 33.27 (f)(6).

Description of Relief Sought: Rolls-Royce plc petitions for exemption from § 33.27 (f)(6) for the Trent 1000–A, –A2, –AE, –AE2, –AE3, –C, –C2, –CE, –CE2, CE3, –D, –D2, –D3, –E, –E2, –G, –G2, –G3, –H, –H2, –H3, –J2, –J3, –K2, –K3, –L2, –L3, –M3, –N3, –P3, –Q3, –R3, Trent 7000–72, and Trent 7000–72C engine models to exclude the entire high-pressure shaft system from failure consideration in determining the highest overspeed that would result from a complete loss of load on a turbine rotor.

[FR Doc. 2017–14391 Filed 7–7–17; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF TRANSPORTATION

Federal Motor Carrier Safety Administration

[Docket No. FMCSA–2017–0175]

Hours of Service of Drivers: Application for Exemption; Pipe Line Contractors Association (PLCA)

AGENCY: Federal Motor Carrier Safety Administration (FMCSA), DOT.

ACTION: Notice of application for exemption; request for comments.

SUMMARY: FMCSA announces that the Pipe Line Contractors Association (PLCA) has requested an exemption from the requirement that a motor carrier install and require each of its drivers to use an electronic logging device (ELD) to record the driver's hours-of-service (HOS) no later than December 18, 2017. PLCA requests the exemption for all pipeline contractor vehicle drivers. These drivers typically utilize the short-haul exception to the logging requirement, which also exempts them from using ELDs. Sometimes, however, they may exceed the conditions of the short-haul exception more than 8 days in a 30-day period, which would subject them to the ELD rule. PLCA's exemption request is addressed to that situation. These drivers would remain subject to the standard HOS limits and maintain a paper record of duty status (RODS) for HOS compliance. PLCA believes that the exemption, if granted, will achieve a level of safety that is equivalent to, or greater than, the level that would be achieved absent the exemption. The term of the requested exemption is 5 years. FMCSA requests public comment on PLCA's application for exemption.

DATES: Comments must be received on or before August 9, 2017.

ADDRESSES: You may submit comments identified by Federal Docket Management System (FDMS) Number FMCSA–2017–0175 by any of the following methods:

- *Federal eRulemaking Portal: www.regulations.gov.* See the *Public Participation and Request for Comments* section below for further information.
- *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., between 9 a.m. and 5 p.m., 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 on-line FDMS is available 24 hours each day, 365 days each year.

Privacy Act: In accordance with 5 U.S.C. 553(c), DOT solicits comments from the public to better inform its rulemaking process. DOT posts these comments, without edit, including any personal information the commenter provides, to *www.regulations.gov,* as described in the system of records notice (DOT/ALL–14 FDMS), which can be reviewed at *www.dot.gov/privacy.*

FOR FURTHER INFORMATION CONTACT: For information concerning this notice, contact Mr. Tom Yager, Chief, FMCSA Driver and Carrier Operations Division; Office of Carrier, Driver and Vehicle Safety Standards; Telephone: 614–942–6477. Email: *MCPSD@dot.gov.* If you have questions on viewing or submitting material to the docket, contact Docket Services, telephone (202) 366–9826.

SUPPLEMENTARY INFORMATION:

I. Public Participation and Request for Comments

FMCSA encourages you to participate by submitting comments and related materials.

Submitting Comments

If you submit a comment, please include the docket number for this notice (FMCSA–2017–0175), indicate the specific section of this document to which the comment applies, and provide a reason for suggestions or recommendations. You may submit your comments and material online or by fax, mail, or hand delivery, but please use only one of these means. FMCSA recommends that you include your name and a mailing address, an email address, or a phone number in the body of your document so the Agency can contact you if it has questions regarding your submission.

To submit your comments online, go to *www.regulations.gov* and put the docket number, ''FMCSA–2017–0175'' in the ''Keyword'' box, and click ''Search.'' When the new screen

appears, click on ''Comment Now!'' button and type your comment into the text box in the following screen. Choose whether you are submitting your comment as an individual or on behalf of a third party and then submit. 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. FMCSA will consider all comments and material received during the comment period and may grant or not grant this application based on your comments.

II. Legal Basis

FMCSA has authority under 49 U.S.C. 31136(e) and 31315 to grant exemptions from certain parts of the Federal Motor Carrier Safety Regulations (FMCSRs). FMCSA must publish a notice of each exemption request in the **Federal Register** (49 CFR 381.315(a)). The Agency must provide the public an opportunity to inspect the information relevant to the application, including any safety analyses that have been conducted. The Agency must also provide an opportunity for public comment on the request.

The Agency reviews safety analyses and public comments submitted, and determines whether granting the exemption would likely achieve a level of safety equivalent to, or greater than, the level that would be achieved by the current regulation (49 CFR 381.305). The decision of the Agency must be published in the **Federal Register** (49 CFR 381.315(b)) with the reasons for denying or granting the application and, if granted, the name of the person or class of persons receiving the exemption, and the regulatory provision from which the exemption is granted. The notice must also specify the effective period and explain the terms and conditions of the exemption. The exemption may be renewed (49 CFR 381.300(b)).

III. Request for Exemption

The PLCA is an industry trade association that negotiates labor agreements, encourages safe practices in pipeline construction, and seeks the resolution of problems common to those in the pipeline construction industry. PLCA has been in existence since 1948 and currently has 77 members who employ approximately 30,000 to 40,000 workers depending upon the level of pipeline work in any year.

Pipeline jobs range from construction of major interstate and intrastate pipelines to maintenance and repair work for utilities. In 2016, their contractors worked on over 750 pipeline projects across the U.S. PLCA contractors hire workers on a project-by-project basis, with workers often employed on multiple jobs each year in different states. Pipeline projects are often short-duration projects lasting for only 4–6 weeks. Pipeline contractors hire dozens of different short-term personnel to support any given project.

PLCA contractors own different types of commercial motor vehicles (CMVs), including flatbed trucks that haul heavy equipment, dump trucks, skid trucks, water trucks, pilot cars, and buses that transport workers from the daily assembly points to the pipeline right-of-way. A significant number of the vehicles owned by pipeline contractors require a commercial driver's license (CDL) to operate. The standard practice is for workers to begin each workday at a designated assembly point, which typically is 10–50 miles away from a pipeline right-of-way. The workers who operate heavy equipment typically are transported by bus to the pipeline right-of-way. The drivers of the flatbed trucks move the heavy equipment along the pipeline right-of-way as they complete work on segments of the pipeline. As pipeline contractor drivers work off-road along the length of the pipelines, they typically do not spend much of their work days operating on public roads.

The employees who work on pipelines and drive the subject vehicles typically stay in hotels or campers at locations along the pipeline right-of-way. They relocate as they advance in their work along the right-of-way. As they complete work on a segment of the pipeline, they sometimes do not return to the assembly point. Instead, they may end the work day where they finish work and spend the night at a new location farther down the right-of-way. The following day they would meet at a new assembly point.

The drivers who would be covered under the exemption operate flatbed trucks that haul heavy equipment, dump trucks, skid trucks, water trucks, pilot cars and buses that transport workers from the daily assembly point to the pipeline right-of-way. These drivers possess CDLs and almost always operate within 100 miles of their assembly point, and meet the other requirements of the short-haul exception in Section 395.1(e)(1). However, the drivers may not return within the 12 hours required for use of the short-haul exemption.

While pipeline contractor drivers typically do not exceed the requirements of the short-haul exception more than 8 days in a 30-day period, there may be occasions when they do so. Because pipeline contractors typically hire temporary employees to work on short-term jobs, it would be onerous for contractors to have to purchase ELDs, provide them to temporary employees, train the employees in their usage, and monitor and ensure compliance with the ELD requirement. Pipeline contractors would have to monitor the number of days their drivers exceed the requirements of the short-haul exception, including if a driver exceeded the short haul exception on any days in a rolling 30-day period immediately before the employer hired the driver. PLCA states that ELDs do not offer a safety benefit for pipeline drivers since the drivers spend very little time on public roads and would have to use paper logs to record their duty status in any event. This is in stark contrast to long-haul truck drivers who spend most of their on-duty hours driving their vehicles on public roads.

According to PLCA, exempting pipeline contractors from the ELD requirement would have no impact on safety for several reasons. First, drivers would continue to maintain written RODS on any day that they exceed the requirements of the short-haul exemption. Second, pipeline contractor drivers typically spend very little time operating on public roads. Third, pipeline contractors are required to maintain time records for their drivers. Finally, pipeline contractors and drivers otherwise must comply with all the HOS regulations.

IV. Method To Ensure an Equivalent or Greater Level of Safety

PLCA states that granting this exemption will result in a level of safety that is equal to or greater than the level of safety achieved by complying with the ELD rule. The exemption is requested for pipeline contractor drivers of CMVs. Drivers of pipeline contractor CMVs that require HOS compliance represent a small percentage of trucks on the road; however, the requirements of the ELD rule would impose significant burden on the industry and its customers. By allowing pipeline contractor drivers to continue to operate with paper RODS, PLCA's members and their customers would be able to comply with all Federal and State HOS regulations while continuing to operate efficiently and safely.

A copy of PLCA's application for exemption is available for review in the docket for this notice.

Issued on: June 30, 2017.

Larry W. Minor,

Associate Administrator for Policy.

[FR Doc. 2017–14263 Filed 7–7–17; 8:45 am]

BILLING CODE 4910–EX–P

DEPARTMENT OF TRANSPORTATION

Federal Motor Carrier Safety Administration

[Docket No. FMCSA–2017–0166]

Hours of Service of Drivers: Application for Exemption; MBI Energy Services

AGENCY: Federal Motor Carrier Safety Administration (FMCSA), DOT.

ACTION: Notice of application for exemption; request for comments.

SUMMARY: FMCSA announces that MBI Energy Services (MBI) has requested an exemption from the requirement that a motor carrier install and require each of its drivers to use an electronic logging device (ELD) to record the driver's hours-of-service (HOS) no later than December 18, 2017. MBI requests the exemption for all of its vehicles equipped with a single-passenger cab, which are used in applications where travel is incidental to normal work activities and which require special oversize/overweight permits to travel on public roads. These vehicles are classified in the State of North Dakota as Special Mobile Equipment (SME). According to MBI, single cabs have reduced space for installing rough-terrain-capable automatic on-board recording devices (AOBRDs) or ELDs. MBI believes that the exemption, if granted, would not have any adverse impacts on operational safety, as drivers would remain subject to the standard HOS limits and maintain a paper record of duty status (RODS). The term of the requested exemption is 5 years. FMCSA requests public comment on MBI's application for exemption.

DATES: Comments must be received on or before August 9, 2017.

ADDRESSES: You may submit comments identified by Federal Docket Management System (FDMS) Number FMCSA–2017–0166 by any of the following methods:

- *Federal eRulemaking Portal: www.regulations.gov.* See the *Public Participation and Request for Comments* section below for further information.
- *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., between 9 a.m. and 5 p.m., 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 on-line FDMS is available 24 hours each day, 365 days each year.

Privacy Act: In accordance with 5 U.S.C. 553(c), DOT solicits comments from the public to better inform its rulemaking process. DOT posts these comments, without edit, including any personal information the commenter provides, to *www.regulations.gov,* as described in the system of records notice (DOT/ALL–14 FDMS), which can be reviewed at *www.dot.gov/privacy.*

FOR FURTHER INFORMATION CONTACT: For information concerning this notice, contact Mr. Tom Yager, Chief, FMCSA Driver and Carrier Operations Division; Office of Carrier, Driver and Vehicle Safety Standards; Telephone: 614–942–6477. Email: *MCPSD@dot.gov.* If you have questions on viewing or submitting material to the docket, contact Docket Services, telephone (202) 366–9826.

SUPPLEMENTARY INFORMATION:

I. Public Participation and Request for Comments

FMCSA encourages you to participate by submitting comments and related materials.

Submitting Comments

If you submit a comment, please include the docket number for this notice (FMCSA–2017–0166), indicate the specific section of this document to which the comment applies, and provide a reason for suggestions or recommendations. You may submit your comments and material online or by fax, mail, or hand delivery, but please use only one of these means. FMCSA recommends that you include your name and a mailing address, an email address, or a phone number in the body of your document so the Agency can contact you if it has questions regarding your submission.

To submit your comments online, go to *www.regulations.gov* and put the docket number, ''FMCSA–2017–0166'' in the ''Keyword'' box, and click ''Search.'' When the new screen appears, click on ''Comment Now!'' button and type your comment into the text box in the following screen. Choose whether you are submitting your comment as an individual or on behalf of a third party and then submit. 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. FMCSA will consider all comments and material received during the comment period and may grant or not grant this application based on your comments.

II. Legal Basis

FMCSA has authority under 49 U.S.C. 31136(e) and 31315 to grant exemptions from certain parts of the Federal Motor Carrier Safety Regulations (FMCSRs). FMCSA must publish a notice of each exemption request in the **Federal Register** (49 CFR 381.315(a)). The Agency must provide the public an opportunity to inspect the information relevant to the application, including any safety analyses that have been conducted. The Agency must also provide an opportunity for public comment on the request.

The Agency reviews safety analyses and public comments submitted, and determines whether granting the exemption would likely achieve a level of safety equivalent to, or greater than, the level that would be achieved by the current regulation (49 CFR 381.305). The decision of the Agency must be published in the **Federal Register** (49 CFR 381.315(b)) with the reasons for denying or granting the application and, if granted, the name of the person or class of persons receiving the exemption, and the regulatory provision from which the exemption is granted. The notice must also specify the effective period and explain the terms and conditions of the exemption. The exemption may be renewed (49 CFR 381.300(b)).

III. Request for Exemption

MBI (USDOT 261829) is a provider of water management logistics and well-intervention services in North Dakota,

South Dakota, Wyoming, Montana, and Colorado. The requested exemption would affect 65 MBI Energy Services drivers operating 42 single-cab vehicles classified in North Dakota as Special Mobile Equipment (SME). These vehicles meet the definition of a commercial motor vehicle (CMV) in 49 CFR 390.5 and therefore are subject to the ELD or AOBRD mandate. These specialized vehicles perform various work activities in an environment where connectivity is limited, working and road conditions are rough, and the necessity for driving on public roads is sporadic and incidental to the overall work being performed. The vehicles may sit on work locations for long periods of time, up to weeks or even months. These vehicles are typically oversize and overweight requiring special permits for transport. Many States do not require registration, as they build the registration fees into the permit process.

Examples of SMEs meeting the definition of a CMV having a single cab include cranes, workover rigs, and swab units. Single cabs have reduced space for installing rough-terrain-capable AOBRDs or ELDs. The devices used must be capable of satellite communication where cell communication is poor to non-existent. The installation of rugged logging units, weighing more than typical units used in highway applications, would reduce driver visibility in an already large vehicle due to the limited space found in single-cab vehicles. Additionally, the installation and rough terrain upon which the vehicles travel may require a unit being installed over the driver's head, increasing the risk of the unit falling on the driver resulting in injury or a vehicle accident involving the travelling public.

While these vehicles normally travel little, business demand may require MBI vehicles to move more often than 8 days in a 30-day period, the maximum frequency allowed by 49 CFR 395.8(a)(1)(iii)(A)(1) for the use of paper RODS instead of ELDs. According to MBI, the current regulations do not address circumstances where the vehicle's exemption status is sporadic in nature, thus requiring MBI to install an ELD to remain compliant during times not covered by the exemption. While alternatives exist to industrial-grade logging units, the alternatives usually involve cell phones or cell-capable tablets where the terrain or remote locations of work may inhibit logging device communication for extended periods of time. Many worksites prohibit cell phone usage due to safety concerns. Additionally, installations in special vehicles will increase costs substantially due to the unusual configurations of single cab vehicles requiring specialized wiring harnesses and custom installation kits.

MBI states that the exemption would involve no additional costs since current regulations require drivers to manually record duty status, and that would not change under the exemption. Companies operating single-cab special mobile equipment would realize savings compared to the costs incurred to install custom hardware required for industrial-grade logging units meeting the ELD mandate and the subsequent monthly communication costs. MBI requests a 5-year exemption.

IV. Method To Ensure an Equivalent or Greater Level of Safety

MBI states that it would continue to use paper logs if granted the exemption and would require the driver to document on-duty and driving times to ensure compliance with the requirements of 49 CFR part 395. According to MBI, paper logs would be reviewed daily by supervisory personnel to ensure regulatory compliance and appropriate fatigue management. Because the vehicles are rarely driven and highly regulated by States when being transported, with minimal highway exposure, the driving public would not be adversely affected, and the safety of these specialized vehicles would not be compromised due to unwieldy device installations in an already cramped operator's compartment.

A copy of MBI's application for exemption is available for review in the docket for this notice.

Issued on: July 3, 2017.

Larry W. Minor,

Associate Administrator for Policy.

[FR Doc. 2017–14377 Filed 7–7–17; 8:45 am]

BILLING CODE 4910–EX–P

DEPARTMENT OF TRANSPORTATION

Federal Transit Administration

FTA Supplemental Fiscal Year (FY) 2017 Apportionments, Allocations, and Program Information

AGENCY: Federal Transit Administration (FTA), DOT.

ACTION: Notice.

SUMMARY: The Federal Transit Administration (FTA) annually publishes one or more notices to apportion funds appropriated by law. This is the second notice which announces the remaining apportionment for programs funded with Fiscal Year (FY) 2017 contract authority.

FOR FURTHER INFORMATION CONTACT: For general information about this notice contact Kimberly Sledge, 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: *www.transit.dot.gov*.

SUPPLEMENTARY INFORMATION:

I. Overview

Funding appropriated to FTA's public transportation assistance programs under the Further Continuing and Security Assistance Appropriations Act, 2017 (Pub. L. 114–254) expired on April 28, 2017. Since that time, Congress has enacted the Consolidated Appropriations Act, 2017, Public Law 115–31 on May 5, 2017 (Appropriations Act, 2017) that allows FTA to continue its current program funding through September 30, 2017.

The Appropriations Act, 2017 gave FTA appropriated resources for Administrative Expenses, Formula, Competitive and Research Programs, Capital Investment Grants (CIG), Technical Assistance and Training Programs, grants to the Washington Metropolitan Area Transportation Authority, and other FTA programs totaling $12,414,502,043. The Appropriations Act, 2017 provides an obligation limitation of $9,733,706,043 of contract authority for FTA programs funded from the Mass Transit Account of the Highway Trust Fund, $2,680,796,000 funded from General Fund accounts and an additional $117,839,000 of prior year recovered funds for CIG.

On January 19, 2017, FTA published an apportionments notice that apportioned approximately 7/12ths of the FY 2017 authorized contract authority among potential program recipients based on contract authority that was available from October 1, 2016 through April 28, 2017 (82 FR 12). That notice also provided relevant information about the FY 2017 funding available and grant management and application procedures. A copy of that notice and accompanying tables can be found on the FTA Web: *www.transit.dot.gov/funding/apportionments*.

This document provides notice to stakeholders that FTA is apportioning the remainder of the full-year FY 2017 authorized contract authority through September 30, 2017—among potential

program recipients according to statutory formulas in 49 U.S.C. Chapter 53. FTA has posted tables displaying the funds available to eligible states and urbanized areas on the FTA Web: *www.transit.dot.gov/funding/apportionments*. In addition, the National Transit Database (NTD) and Census Data used in the funding formulas can be found at the same location.

II. Formula Apportionments

FTA's full-year FY 2017 formula apportionment tables continue to rely on the Census data and National Transit Database (NTD) data that was used to calculate the FY 2017 Continuing Resolution (CR) tables. A detailed description of the NTD and Census data used in the calculations can be found in FTA's Apportionment Notice published in conjunction with the FY 2017 CR tables. (**Federal Register** Vol. 82, No. 12, January 19, 2017).

FTA's FY 2017 CR tribal transit formula table inadvertently omitted three tribes eligible for formula funding in FY 2017: The Mashantucket Pequot Tribal Nation, the Hualapai Indian Tribe, and the Mashpee Wampanoag Tribe. Apportionments for these tribes are included in FTA's full year tribal transit formula table.

III. Program Highlights and Grants Guidance

A. State Safety Oversight Program Certification

Federal transit law requires States with rail transit systems operating within their jurisdictions to establish a State Safety Oversight (SSO) program that must be certified by the Federal Transit Administration (FTA) by April 15, 2019. The FTA is prohibited by law from awarding any funds to any transit agency within a State that fails to obtain certification by the deadline. The FTA recommends that States submit their complete SSO program certification applications by April 15, 2018, but no later than September 30, 2018. For more information on the certification requirements, please visit the FTA Web: *www.transit.dot.gov/regulations-and-guidance/safety/transit-safety-oversight-tso*.

B. 100 Bus Special Rule

Section 165 of the Consolidated Appropriations Act, 2017 amended the law governing the special provision for operating assistance under 5307(a)(2), commonly known as the 100-bus special rule, by replacing the exception to the special rule established in the FAST Act with a new alternative method for determining the amounts that may be used for operating assistance. Under 5307(a)(2)(A), transit agencies that operate between 76 and 100 buses in maximum revenue service may use 50 percent of the share of the UZA's apportionment attributable to them based on vehicle revenue hours reported to the NTD. Transit agencies that operate 75 or fewer buses in maximum revenue service may use 75 percent of the share of the UZA's apportionment attributable to them based on vehicle revenue hours reported to the NTD. These amounts are published in Apportionment Table 3–A.

The recently enacted amendment under 5307(a)(2)(B), provides an alternative to these amounts by allowing qualifying recipients with between 76 and 100 buses in maximum revenue service to receive operating assistance in an amount not to exceed 50 percent of the amount allocated to such systems through the local planning process and in the designated recipient's final program of projects. Likewise, recipients with 75 or fewer buses in maximum revenue service may now receive operating assistance in an amount not to exceed 75 percent of the amount allocated to such systems through the local planning process and in the designated recipient's final program of projects. However, in both cases, the resulting amount under this alternative may not exceed the maximum amount based on vehicle revenue hours by more than 10 percent. FTA has published these amounts and related information in Apportionment Table 3–A.

Agencies interested in utilizing the recently enacted alternative are advised that the new alternative operating assistance cap under 5307(a)(2)(B) is only available as a percentage of the actual program funding allocated to their agency for projects. For example, consider an agency that operates 80 buses in maximum service that is permitted to use $100,000 for operating expenses under the original 5307(a)(2)(A) operating assistance cap. If this agency chooses to use the new 5307(a)(2)(B) alternative, it may use up to $110,000 for operating assistance, but to do so it must have been allocated at least $220,000 through the planning process ($220,000 allocation/50 percent = $110,000). The exception to this provision previously authorized at 5307(a)(3), permitting recipients in an urbanized area to agree in writing on an alternative method for allocating funding available for operating assistance, has been repealed and no longer applies.

C. Fixed Guideway Capital Investment Grants Program

Section 161 of the Consolidated Appropriations Act, 2017 extends the period of availability of FY 2017 Fixed Guideway Capital Investment Grants (CIG) program funds through September 30, 2021. Please note that the President's Budget for FY 2018 proposes no funding for new CIG projects, and thus project sponsors should understand they are undertaking work on projects at their own risk which may not receive CIG funding.

Matthew J. Welbes,

Executive Director.

[FR Doc. 2017–14403 Filed 7–7–17; 8:45 am]

BILLING CODE P

DEPARTMENT OF TRANSPORTATION

Maritime Administration

[Docket No. MARAD 2017–0117]

Maritime Workforce Working Group Request for Public Input

AGENCY: Maritime Administration, Department of Transportation.

ACTION: Notice and request for comments.

SUMMARY: The Maritime Administration (MARAD) invites public comment to examine and assess the size of the pool of United States citizen mariners necessary to support the United States flag fleet in times of national emergency. The purpose of this public notice is to gather comments to assist in the development of a statutorily mandated report to Congress with actionable recommendations.

DATES: The deadline to submit comments is July 31, 2017. See *Submitting Your Comments and Opinions* below for specific directions.

ADDRESSES: Comments should refer to the docket number above and submitted by one of the following methods:

- *Federal Rulemaking Portal: http://www.regulations.gov/.* Follow the online instruction for submitted 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: 1200 New Jersey Avenue SE., West Building Ground Floor, Room W12–140, Washington, DC, between 9 a.m. and 5 p.m. ET, Monday through Friday, except Federal Holidays.

FOR FURTHER INFORMATION CONTACT: Tania Adames, Transportation Industry

Analyst, Office of Maritime Workforce Development, Maritime Administration, 1200 New Jersey Avenue SE., Washington, DC 20590; (202) 366–7173; email: *Tania.Adames@dot.gov.*

SUPPLEMENTARY INFORMATION:

Background

Section 3517 of the National Defense Authorization Act for Fiscal Year 2017 (NDAA) requires MARAD to convene a Maritime Workforce Working Group (MWWG) to examine and assess the size of the pool of United States citizen mariners necessary to support the United States flag fleet in times of national emergency. The statute requires the MWWG to deliver a report to Congress, with results from the study. To assist in the process, MARAD is seeking public input to focus on the following four (4) issues:

1. Identifying the number of United States citizen mariners;
2. Assessing the impact on the United States merchant marine and United States Merchant Marine Academy if graduates from State Maritime Academies and the United States Merchant Marine Academy were assigned to, or required to fulfill, certain maritime positions based on the overall needs of the United States merchant marine;
3. Assessing the Coast Guard Merchant Mariner Licensing and Documentation System and its accessibility and value to the Maritime Administration for the purposes of evaluating the pool of United States citizen mariners; and
4. Making recommendations to enhance the availability and quality of interagency data, including data from the United States Transportation Command, the Coast Guard, the Navy, and the Bureau of Transportation Statistics, for use by the Maritime Administration for evaluating the pool of United States citizen mariners.

Submitting Your Comments and Opinions

1. We have opened a docket at *http://www.regulations.gov* to allow for submission of written comments for consideration by the MWWG.
2. You may submit your inputs identified by DOT Docket Number MARAD–2017–0117 by any of the following methods: Web site/Federal eRulemaking Portal, Fax, Mail or Hand Delivery. Please use only one of these means for each submission. All submissions must include the agency name and docket number for this matter. Specific instructions follow.
3. For the Web site/Federal eRulemaking Portal, go to *http://www.regulations.gov.* Follow the instructions for submitting comments on the electronic docket site. To submit your input, type the docket number MARAD–2017–0117 in the ''SEARCH'' box and click ''SEARCH.'' Click on ''Submit a Comment'' on the line associated with this Docket Number. If you submit comment via *www.regulations.gov,* please note that inputs submitted to *www.regulations.gov* are not immediately posted to the site. It may take several business days before your submission will be posted on the electronic docket.
4. For submission by telefacsimile/FAX, transmit your agenda topic, comment or idea to (202) 493–2251. Be sure to identify the submission by DOT Docket Number MARAD–2017–0117.
5. Submissions by Mail or Hand Delivery should go to Docket Management Facility, U.S. Department of Transportation, 1200 New Jersey Avenue SE., West Building, Room W12–140, Washington, DC 20590, between 9:00 a.m. and 5:00 p.m., Monday through Friday, except on Federal holidays. If you submit your inputs by mail or hand delivery, submit them in an unbound format, no larger than 8 ½ 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.
6. If you FAX, mail, or hand deliver your input we recommend that you include your name and a mailing address, an email address, or a telephone number in the body of your document so that we can contact you if we have questions regarding your submission.
7. *Note:* All comments submitted for this purpose, including any personal information provided, will be posted without change to *http://www.regulations.gov.*
8. For access to the docket to read background documents or inputs received, go to *http://www.regulations.gov* at any time or to Room W12–140 of the Department of Transportation, 1200 New Jersey Avenue SE., Washington, DC 20590, between 9:00 a.m. and 5:00 p.m., Monday through Friday, except Federal Holidays. To view the docket electronically, type the docket number ''MARAD–2017–0117'' in the ''SEARCH'' box and click ''Search.'' Click and Open Docket Folder on the line associated with this rulemaking.

Privacy Act Statement

In accordance with 5 U.S.C. 553(c), DOT solicits comments from the public to better inform its rulemaking process. DOT posts these comments, without edit, to *www.regulations.gov,* as described in the system of records notice, DOT/ALL–14 FDMS, accessible through *www.dot.gov/privacy.* In order to facilitate comment tracking and response, we encourage commenters to provide their name, or the name of their organization; however, submission of names is completely optional. Whether or not commenters identify themselves, all timely comments will be fully considered. If you wish to provide comments containing proprietary or confidential information, please contact the agency for alternate submission instructions.

Authority: 5 U.S.C. 610; E.O., 13563, 76 FR 3821, Jan. 21 2011; E.O. 12866, 58 FR 51735, Oct. 4, 1993.

By Order of the Executive Director in lieu of the Maritime Administrator.

Dated: July 3, 2017.

T. Mitchell Hudson, Jr.,

Secretary, Maritime Administration.

[FR Doc. 2017–14319 Filed 7–7–17; 8:45 am]

BILLING CODE 4910–81–P

DEPARTMENT OF THE TREASURY

Office of the Comptroller of the Currency

[Docket ID OCC–2017–0010]

Mutual Savings Association Advisory Committee

AGENCY: Office of the Comptroller of the Currency (OCC), Department of the Treasury.

ACTION: Notice of Federal Advisory Committee meeting.

SUMMARY: The OCC announces a meeting of the Mutual Savings Association Advisory Committee (MSAAC).

DATES: A public meeting of the MSAAC will be held on Tuesday, July 25, 2017, beginning at 8:30 a.m. Eastern Daylight Time (EDT).

ADDRESSES: The OCC will hold the July 25, 2017 meeting of the MSAAC at the OCC's offices at 400 7th Street SW., Washington, DC 20219.

FOR FURTHER INFORMATION CONTACT: Michael R. Brickman, Deputy Comptroller for Thrift Supervision, (202) 649–5420, Office of the Comptroller of the Currency, Washington, DC 20219.

SUPPLEMENTARY INFORMATION: By this notice, the OCC is announcing that the MSAAC will convene a meeting on Tuesday, July 25, 2017, at the OCC's offices at 400 7th Street SW., Washington, DC 20219. The meeting is open to the public and will begin at 8:30 a.m. EDT. The purpose of the meeting is for the MSAAC to advise the OCC on regulatory or other changes the OCC may make to ensure the health and viability of mutual savings associations. The agenda includes a discussion of current topics of interest to the industry.

Members of the public may submit written statements to the MSAAC. The OCC must receive written statements no later than 5:00 p.m. EDT on Tuesday, July 18, 2017. Members of the public may submit written statements to *MSAAC@occ.treas.gov* or by mailing them to Michael R. Brickman, Designated Federal Officer, Mutual Savings Association Advisory Committee, Office of the Comptroller of the Currency, 400 7th Street SW., Washington, DC 20219.

Members of the public who plan to attend the meeting should contact the OCC by 5:00 p.m. EDT on Tuesday, July 18, 2017, to inform the OCC of their desire to attend the meeting and to provide information that will be required to facilitate entry into the meeting. Members of the public may contact the OCC via email at *MSAAC@OCC.treas.gov* or by telephone at (202) 649–5420. Members of the public who are deaf or hard of hearing should call (202) 649–5597 (TTY) by 5:00 p.m. EDT Tuesday, July 18, 2017, to arrange auxiliary aids such as sign language interpretation for this meeting.

Attendees should provide their full name, email address, and organization, if any. For security reasons, attendees will be subject to security screening procedures and must present a valid government-issued identification to enter the building.

Dated: July 3, 2017.

Keith A. Noreika,

Acting Comptroller of the Currency.

[FR Doc. 2017–14371 Filed 7–7–17; 8:45 am]

BILLING CODE 4810–33–P

DEPARTMENT OF THE TREASURY

Internal Revenue Service

Open meeting of the Taxpayer Advocacy Panel Special Projects Committee

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Notice of meeting.

SUMMARY: An open meeting of the Taxpayer Advocacy Panel Special Projects Committee will be conducted. The Taxpayer Advocacy Panel is soliciting public comments, ideas, and suggestions on improving customer service at the Internal Revenue Service.

DATES: The meeting will be held Tuesday, August 8, 2017.

FOR FURTHER INFORMATION CONTACT: Matthew O'Sullivan at 1–888–912–1227 or (510) 907–5274.

SUPPLEMENTARY INFORMATION: Notice is hereby given pursuant to Section 10(a)(2) of the Federal Advisory Committee Act, 5 U.S.C. App. (1988) that a meeting of the Taxpayer Advocacy Panel Special Projects Committee will be held Tuesday, August 8, 2017, at 1:00 p.m. Eastern Time via teleconference. The public is invited to make oral comments or submit written statements for consideration. Due to limited conference lines, notification of intent to participate must be made with Matthew O'Sullivan. For more information please contact Matthew O'Sullivan at 1–888–912–1227 or (510) 907–5274, or write TAP Office, 1301 Clay Street, Oakland, CA 94612–5217 or contact us at the Web site: *http://www.improveirs.org.* The agenda will include various IRS issues.

The agenda will include a discussion on various special topics with IRS processes.

Dated: July 3, 2017.

Antoinette Ross,

Acting Director, Taxpayer Advocacy Panel.

[FR Doc. 2017–14354 Filed 7–7–17; 8:45 am]

BILLING CODE 4830–01–P

DEPARTMENT OF THE TREASURY

Internal Revenue Service

Open Meeting of the Taxpayer Advocacy Panel Tax Forms and Publications Project Committee

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Notice of meeting.

SUMMARY: An open meeting of the Taxpayer Advocacy Panel Tax Forms and Publications Project Committee will be conducted. The Taxpayer Advocacy Panel is soliciting public comments, ideas and suggestions on improving customer service at the Internal Revenue Service.

DATES: The meeting will be held Tuesday, August 8, 2017.

FOR FURTHER INFORMATION CONTACT: Robert Rosalia at 1–888–912–1227 or (718) 834–2203.

SUPPLEMENTARY INFORMATION: Notice is hereby given pursuant to section 10(a)(2) of the Federal Advisory Committee Act, 5 U.S.C. app. (1988) that an open meeting of the Taxpayer Advocacy Panel Tax Forms and Publications Project Committee will be held Tuesday, August 8, 2017, at 12:00 p.m., Eastern Time via teleconference. The public is invited to make oral comments or submit written statements for consideration. Due to limited conference lines, notification of intent to participate must be made with Robert Rosalia. For more information please contact Robert Rosalia at 1–888–912–1227 or (718) 834–2203, or write TAP Office, 2 Metrotech Center, 100 Myrtle Avenue, Brooklyn, NY 11201 or contact us at the Web site: *http://www.improveirs.org.* The agenda will include various IRS issues.

Dated: July 3, 2017.

Antoinette Ross,

Acting Director, Taxpayer Advocacy Panel.

[FR Doc. 2017–14357 Filed 7–7–17; 8:45 am]

BILLING CODE 4830–01–P

DEPARTMENT OF THE TREASURY

Internal Revenue Service

Open Meeting of the Taxpayer Advocacy Panel Toll-Free Phone Line Project Committee

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Notice of meeting.

SUMMARY: An open meeting of the Taxpayer Advocacy Panel Toll-Free Phone Line Project Committee will be conducted. The Taxpayer Advocacy Panel is soliciting public comments, ideas, and suggestions on improving customer service at the Internal Revenue Service.

DATES: The meeting will be held Wednesday, August 16, 2017.

FOR FURTHER INFORMATION CONTACT: Fred Smith at 1–888–912–1227 or 202–317–3087.

SUPPLEMENTARY INFORMATION: Notice is hereby given pursuant to Section 10(a)(2) of the Federal Advisory Committee Act, 5 U.S.C. App. (1988) that an open meeting of the Taxpayer Advocacy Panel Toll-Free Phone Line Project Committee will be held Wednesday, August 16, 2017, at 2:30 p.m. Eastern Time via teleconference. The public is invited to make oral comments or submit written statements

for consideration. Due to limited conference lines, notification of intent to participate must be made with Fred Smith. For more information please contact Fred Smith at 1–888–912–1227 or 202–317–3087, or write TAP Office, 1111 Constitution Avenue NW., Room 1509—National Office, Washington, DC 20224, or contact us at the Web site: *http://www.improveirs.org.*

The committee will be discussing Toll-free issues and public input is welcomed.

Dated: July 3, 2017.

Antoinette Ross,

Acting Director, Taxpayer Advocacy Panel.

[FR Doc. 2017–14352 Filed 7–7–17; 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 Internal Revenue Service, 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 information collections, as required by the Paperwork Reduction Act of 1995. The IRS is soliciting comments concerning Designated Roth Contributions to Cash or Deferred Arrangements Under Section 401(k).

DATES: Written comments should be received on or before September 8, 2017 to be assured of consideration.

ADDRESSES: Direct all written comments to L. Brimmer, Internal Revenue Service, Room 6526, 1111 Constitution Avenue NW., Washington, DC 20224. Requests for additional information or copies of the regulation should be directed to Sara Covington, at Internal Revenue Service, Room 6526, 1111 Constitution Avenue NW., Washington, DC 20224 or through the internet at *Sara.L.Covington@irs.gov.*

SUPPLEMENTARY INFORMATION:

Title: Designated Roth Contributions to Cash or Deferred Arrangements Under Section 401(k).

OMB Number: 1545–1931.

Regulation Project Number: TD 9237.

Abstract: These regulations provide guidance concerning the requirements for designated Roth contributions to qualified cash or deferred arrangements under section 401(k). The IRS needs this information to insure compliance with section 401(k) and (m) and section 402A. Designated Roth contributions are elective contributions under qualified cash or deferred arrangement that, unlike pre-tax elective contributions, are includible in gross income. However, a qualified distribution of designated Roth contributions is excludable from gross income.

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, not-for-profit institutions and state, local or tribal governments.

Estimated Number of Respondents: 157,500.

Estimated Time per Respondent: 1 hour.

Estimated Total Annual Burden Hours: 157,500.

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: June 28, 2017.

L. Brimmer,

Senior Tax Analyst.

[FR Doc. 2017–14349 Filed 7–7–17; 8:45 am]

BILLING CODE P

DEPARTMENT OF THE TREASURY

Internal Revenue Service

Open Meeting of the Taxpayer Advocacy Panel Taxpayer Assistance Center Improvements Project Committee

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Notice of meeting.

SUMMARY: The Taxpayer Advocacy Panel Taxpayer Assistance Center Improvements Project Committee will conduct an open meeting and will solicit public comments, ideas, and suggestions on improving customer service at the Internal Revenue Service.

DATES: The meeting will be held Tuesday, August 15, 2017.

FOR FURTHER INFORMATION CONTACT: Lisa Billups at 1–888–912–1227 or (214) 413–6523.

SUPPLEMENTARY INFORMATION: Notice is hereby given pursuant to Section 10(a)(2) of the Federal Advisory Committee Act, 5 U.S.C. App. (1988) that a meeting of the Taxpayer Advocacy Panel Taxpayer Assistance Center Improvements Project Committee will be held Tuesday, August 15, 2017, at 3:00 p.m. Eastern Time. The public is invited to make oral comments or submit written statements for consideration. Due to limited conference lines, notification of intent to participate must be made with Lisa Billups. For more information please contact Lisa Billups at 1–888–912–1227 or 214–413–6523, or write TAP Office 1114 Commerce Street, Dallas, TX 75242–1021, or post comments to the Web site: *http://www.improveirs.org.*

The committee will be discussing various issues related to the Taxpayer Assistance Centers and public input is welcomed.

Dated: July 3, 2017.

Antoinette Ross,

Acting Director, Taxpayer Advocacy Panel.

[FR Doc. 2017–14350 Filed 7–7–17; 8:45 am]

BILLING CODE 4830–01–P

DEPARTMENT OF THE TREASURY

Internal Revenue Service

Open Meeting of the Taxpayer Advocacy Panel Joint Committee

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Notice of meeting.

SUMMARY: An open meeting of the Taxpayer Advocacy Panel Joint Committee will be conducted. The Taxpayer Advocacy Panel is soliciting public comments, ideas, and suggestions on improving customer service at the Internal Revenue Service.

DATES: The meeting will be held Wednesday, August 30, 2017.

FOR FURTHER INFORMATION CONTACT: Gretchen Swayzer at 1–888–912–1227 or 469–801–0769.

SUPPLEMENTARY INFORMATION: Notice is hereby given pursuant to Section 10(a)(2) of the Federal Advisory Committee Act, 5 U.S.C. App. (1988) that an open meeting of the Taxpayer Advocacy Panel Joint Committee will be held Wednesday, August 30, 2017, at 1:00 p.m. Eastern Time via teleconference. The public is invited to make oral comments or submit written statements for consideration. For more information please contact: Gretchen Swayzer at 1–888–912–1227 or 469–801–0769, TAP Office, 4050 Alpha Rd., Farmers Branch, TX 75244, or contact us at the Web site: *http://www.improveirs.org.*

The agenda will include various committee issues for submission to the IRS and other TAP related topics. Public input is welcomed.

Dated: July 3, 2017.

Antoinette Ross,

Acting Director, Taxpayer Advocacy Panel.

[FR Doc. 2017–14351 Filed 7–7–17; 8:45 am]

BILLING CODE 4830–01–P

DEPARTMENT OF THE TREASURY

Internal Revenue Service

Open Meeting of the Taxpayer Advocacy Panel Notices and Correspondence Project Committee

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Notice of meeting.

SUMMARY: An open meeting of the Taxpayer Advocacy Panel Notices and Correspondence Project Committee will be conducted. The Taxpayer Advocacy Panel is soliciting public comments, ideas, and suggestions on improving customer service at the Internal Revenue Service.

DATES: The meeting will be held Thursday, August 10, 2017.

FOR FURTHER INFORMATION CONTACT: Otis Simpson at 1–888–912–1227 or 202–317–3332.

SUPPLEMENTARY INFORMATION: Notice is hereby given pursuant to Section 10(a)(2) of the Federal Advisory Committee Act, 5 U.S.C. App. (1988) that a meeting of the Taxpayer Advocacy Panel Notices and Correspondence Project Committee will be held Thursday, August 10, 2017, at 12:00 p.m. Eastern Time via teleconference. The public is invited to make oral comments or submit written statements for consideration. Due to limited conference lines, notification of intent to participate must be made with Otis Simpson. For more information please contact Otis Simpson at 1–888–912–1227 or 202–317–3332, or write TAP Office, 1111 Constitution Ave. NW., Room 1509, Washington, DC 20224 or contact us at the Web site: *http://www.improveirs.org.* The agenda will include various IRS issues. Otis Simpson. For more information please contact Otis Simpson at 1–888–912–1227 or 202–317–3332, or write TAP Office, 1111 Constitution Ave. NW., Room 1509, Washington, DC 20224 or contact us at the Web site: *http://www.improveirs.org.* The agenda will include various IRS issues.

The agenda will include a discussion on various letters, and other issues related to written communications from the IRS.

Dated: July 3, 2017.

Antoinette Ross,

Acting Director, Taxpayer Advocacy Panel.

[FR Doc. 2017–14353 Filed 7–7–17; 8:45 am]

BILLING CODE 4830–01–P

DEPARTMENT OF THE TREASURY

Internal Revenue Service

Open Meeting of the Taxpayer Advocacy Panel Taxpayer Communications Project Committee

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Notice of meeting.

SUMMARY: An open meeting of the Taxpayer Advocacy Panel Taxpayer Communications Project Committee will be conducted. The Taxpayer Advocacy Panel is soliciting public comments, ideas, and suggestions on improving customer service at the Internal Revenue Service.

DATES: The meeting will be held Thursday, August 3, 2017.

FOR FURTHER INFORMATION CONTACT: Antoinette Ross at 1–888–912–1227 or (202) 317–4110.

SUPPLEMENTARY INFORMATION: Notice is hereby given pursuant to Section 10(a)(2) of the Federal Advisory Committee Act, 5 U.S.C. App. (1988) that an open meeting of the Taxpayer Advocacy Panel Taxpayer Communications Project Committee will be held Thursday, August 3, 2017, at 1:00 p.m. Eastern Time via teleconference. The public is invited to make oral comments or submit written statements for consideration. Due to limited conference lines, notification of intent to participate must be made with Antoinette Ross. For more information please contact: Antoinette Ross at 1–888–912–1227 or (202) 317–4110, or write TAP Office, 1111 Constitution Avenue NW., Room 1509–National Office, Washington, DC 20224, or contact us at the Web site: *http://www.improveirs.org.*

The committee will be discussing various issues related to Taxpayer Communications and public input is welcome.

Dated: July 3, 2017.

Antoinette Ross,

Acting Director, Taxpayer Advocacy Panel.

[FR Doc. 2017–14348 Filed 7–7–17; 8:45 am]

BILLING CODE 4830–01–P

DEPARTMENT OF THE TREASURY

Agency Information Collection Activities; Submission for OMB Review; Comment Request; Multiple Financial Crimes Enforcement Network Information Collection Requests

AGENCY: Departmental Offices, U.S. Department of the Treasury.

ACTION: Notice.

SUMMARY: The Department of the Treasury will submit the following information collection requests to the Office of Management and Budget (OMB) for review and clearance in accordance with the Paperwork Reduction Act of 1995, on or after the date of publication of this notice. The public is invited to submit comments on these requests.

DATES: Comments should be received on or before August 9, 2017 to be assured of consideration.

ADDRESSES: Send comments regarding the burden estimate, or any other aspect of the information collection, including suggestions for reducing the burden, to (1) Office of Information and Regulatory

Affairs, Office of Management and Budget, Attention: Desk Officer for Treasury, New Executive Office Building, Room 10235, Washington, DC 20503, or email at *OIRA_Submission@OMB.EOP.gov* and (2) Treasury PRA Clearance Officer, 1750 Pennsylvania Ave. NW., Suite 8142, Washington, DC 20220, or email at *PRA@treasury.gov.*

FOR FURTHER INFORMATION CONTACT: Copies of the submissions may be obtained from Jennifer Leonard by emailing *PRA@treasury.gov,* calling (202) 622–0489, or viewing the entire information collection request at *www.reginfo.gov.*

SUPPLEMENTARY INFORMATION:

Financial Crimes Enforcement Network (FinCEN)

Title: Anti-Money Laundering Programs—Special Due Diligence Programs for Certain Foreign Accounts.

OMB Control Number: 1506–0046.

Type of Review: Extension without change of a currently approved collection.

Abstract: The Financial Crimes Enforcement Network is renewing without change this Bank Secrecy Act regulation that implements section 5318(i)(2) of title 31, United States Code, as added by section 312 of the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism (USA PATRIOT) Act of 2001 (''Act''), which requires U.S. financial institutions to conduct enhanced due diligence with regard to correspondent accounts established, maintained, administered, or managed for certain types of foreign banks.

Form: None.

Affected Public: Businesses or other for-profits.

Estimated Total Annual Burden Hours: 56,326.

Title: Generic Clearance for the Collection of Qualitative Feedback on Agency Service Delivery.

OMB Control Number: 1506–0062.

Type of Review: Extension without change of a currently approved collection.

Abstract: This collection of information is necessary to enable the Agency to garner customer and stakeholder feedback in an efficient, timely manner, in accordance with our commitment to improving service delivery. The information collected from our customers and stakeholders will help ensure that users have an effective, efficient, and satisfying experience with the Agency's programs.

Form: None.

Affected Public: Businesses or other for-profits.

Estimated Total Annual Burden Hours: 10,000.

Authority: 44 U.S.C. 3501 *et seq.*

Dated: July 3, 2017.

Spencer W. Clark,

Treasury PRA Clearance Officer.

[FR Doc. 2017–14361 Filed 7–7–17; 8:45 am]

BILLING CODE 4810–02–P

DEPARTMENT OF THE TREASURY

Agency Information Collection Activities; Submission for OMB Review; Comment Request; Multiple Alcohol and Tobacco Tax and Trade Bureau Information Collection Requests

AGENCY: Departmental Offices, U.S. Department of the Treasury.

ACTION: Notice.

SUMMARY: The Department of the Treasury will submit the following information collection requests to the Office of Management and Budget (OMB) for review and clearance in accordance with the Paperwork Reduction Act of 1995, on or after the date of publication of this notice. The public is invited to submit comments on these requests.

DATES: Comments should be received on or before August 9, 2017 to be assured of consideration.

ADDRESSES: Send comments regarding the burden estimate, or any other aspect of the information collection, including suggestions for reducing the burden, to (1) Office of Information and Regulatory Affairs, Office of Management and Budget, Attention: Desk Officer for Treasury, New Executive Office Building, Room 10235, Washington, DC 20503, or email at *OIRA_Submission@OMB.EOP.gov* and (2) Treasury PRA Clearance Officer, 1750 Pennsylvania Ave. NW., Suite 8142, Washington, DC 20220, or email at *PRA@treasury.gov.*

FOR FURTHER INFORMATION CONTACT: Copies of the submissions may be obtained from Jennifer Leonard by emailing *PRA@treasury.gov,* calling (202) 622–0489, or viewing the entire information collection request at *www.reginfo.gov.*

SUPPLEMENTARY INFORMATION:

Alcohol and Tobacco Tax and Trade Bureau (TTB)

Title: Marks on Wine Containers.

OMB Control Number: 1513–0092.

Type of Review: Reinstatement without change of a previously approved collection.

Abstract: The Internal Revenue code (IRC) at 26 U.S.C. 5041 imposes a per gallon Federal excise tax of varying rates on six classes of wine—three classes of still wines (based on alcohol content), two classes of effervescent wines, and one class of hard cider. Under the authority of the IRC at 26 U.S.C. 5357, 5368, 5388, and 5662, TTB regulations in 27 CFR part 24, Wine, require wine premises proprietors to identify wines kept on or removed from their premises by placing certain marks, labels, and information on all production, storage, and consumer containers of wine, including tanks, barrels, bins, pallets, cases, and bottles. Because of the varying excise tax rates on wines, these marking and labeling requirements are necessary to protect the revenue by ensuring that wine is correctly identified for Federal excise tax purposes. However, the marking and labeling of wine containers is a usual and customary practice carried out by wine premises proprietors during the normal course of business, regardless of any regulatory requirement to do so, in order to track product production and inventory and inform the public of the contents of wine containers.

Form: None.

Affected Public: Businesses or other for-profits.

Estimated Total Annual Burden Hours: 1.

Title: Federal Firearms and Ammunition Quarterly Excise Tax Return

OMB Control Number: 1513–0094.

Type of Review: Revision of a currently approved collection.

Abstract: The Internal Revenue Code (IRC) at 26 U.S.C. 4181 imposes a Federal excise tax on the sale of pistols, revolvers, other firearms, and shells and cartridges (ammunition) sold by manufacturers, producers, and importers of such articles. The IRC, at 26 U.S.C. 6001, 6011, and 6302, also authorizes the Secretary of the Treasury to issue regulations regarding IRC-based taxes, returns and records, including the mode and time for collecting taxes due. Under this authority, the TTB regulations in 27 CFR part 53 require respondents who have firearms and/or ammunition excise tax liability to submit a quarterly tax return using form TTB F 5300.26. The information collected on this return is necessary to identify the taxpayer, the amount and type of taxes due, and the amount of payments made. TTB uses the return information to determine whether the taxpayer has paid the correct amount of tax and to take additional action, such as assessment or refund, as necessary.

Form: TTB Form 5300.26.

Affected Public: Businesses or other for-profits.

Estimated Total Annual Burden Hours: 18,900.

Authority: 44 U.S.C. 3501 *et seq.*

Dated: July 3, 2017.

Spencer W. Clark,

Treasury PRA Clearance Officer.

[FR Doc. 2017–14362 Filed 7–7–17; 8:45 am]

BILLING CODE 4810–31–P

DEPARTMENT OF THE TREASURY

Agency Information Collection Activities; Submission for OMB Review; Comment Request; Terrorism Risk Insurance Program

AGENCY: Departmental Offices, U.S. Department of the Treasury.

ACTION: Notice.

SUMMARY: The Department of the Treasury will submit the following information collection request to the Office of Management and Budget (OMB) for review and clearance in accordance with the Paperwork Reduction Act of 1995, on or after the date of publication of this notice. The public is invited to submit comments on this request.

DATES: Written comments must be received on or before August 9, 2017.

ADDRESSES: Send comments regarding the burden estimate, or any other aspect of the information collection, including suggestions for reducing the burden, to (1) Office of Information and Regulatory Affairs, Office of Management and Budget, Attention: Desk Officer for Treasury, New Executive Office Building, Room 10235, Washington, DC 20503, or email at *OIRA_Submission@OMB.EOP.gov* and (2) Treasury PRA Clearance Officer, 1750 Pennsylvania Ave. NW., Suite 8142, Washington, DC 20220, or email at *PRA@treasury.gov.*

FOR FURTHER INFORMATION CONTACT: Copies of the submissions may be obtained from Jennifer Leonard by emailing *PRA@treasury.gov,* calling (202) 622–0489, or viewing the entire information collection request at *www.reginfo.gov.*

SUPPLEMENTARY INFORMATION:

Title: Terrorism Risk Insurance Program (TRIP).

OMB Control Number: 1505–0200.

Type of Review: Revision of a currently approved collection.

Abstract: The Terrorism Risk Insurance Program (TRIP) was established in 2002 to address market disruptions, ensure the continued widespread availability and affordability of commercial property and casualty insurance for terrorism risk, and allow for a transition period for the private markets to stabilize and build capacity while preserving state insurance regulation and consumer protections. The operation of the Program depends upon a number of information collections which may need to be made to determine the right to and amount of Federal payments to which participating insurers would be entitled. This revision is consolidating all new and existing TRIP requirements and forms under OMB Control Number 1505–0200.

Form: TRIP Forms 01, 02, 02A, 02B, 02C, 03, 04A, 04B, 05, 06 and 07.

Affected Public: Businesses and other for-profits.

Estimated Total Annual Burden Hours: 223,577.

Authority: 44 U.S.C. 3501 *et seq.*

Dated: July 3, 2017.

Spencer W. Clark,

Treasury PRA Clearance Officer.

[FR Doc. 2017–14360 Filed 7–7–17; 8:45 am]

BILLING CODE 4810–25–P

FEDERAL REGISTER

Vol. 82 Monday,
No. 130 July 10, 2017

Part II

Department of Energy

10 CFR Part 431
Energy Conservation Program: Energy Conservation Standards for Walk-In Cooler and Freezer Refrigeration Systems; Final Rule

DEPARTMENT OF ENERGY

10 CFR Part 431

[Docket Number EERE–2015–BT–STD–0016]

RIN 1904–AD59

Energy Conservation Program: Energy Conservation Standards for Walk-In Cooler and Freezer Refrigeration Systems

AGENCY: Office of Energy Efficiency and Renewable Energy, Department of Energy.

ACTION: Final rule.

SUMMARY: The Energy Policy and Conservation Act of 1975 (''EPCA''), as amended, prescribes energy conservation standards for various consumer products and certain commercial and industrial equipment, including walk-in coolers and walk-in freezers. This final rule details a series of energy conservation standards pertaining to certain discrete classes of refrigeration systems used in this equipment. These standards, which are consistent with recommendations presented by a working group that included refrigeration system manufacturers, installers, and energy efficiency advocates, have been determined to result in the significant conservation of energy and achieve the maximum improvement in energy efficiency that is technologically feasible and economically justified.

DATES: The effective date of this rule is September 8, 2017. Compliance with the standards established for WICF refrigeration systems in this final rule is required on and after July 10, 2020.

ADDRESSES: The docket for this rulemaking, which includes **Federal Register** notices, public meeting attendee lists and transcripts, comments, and other supporting documents/materials, is available for review at *www.regulations.gov.* All documents in the docket are listed in the *www.regulations.gov* index. However, not all documents listed in the index may be publicly available, such as information that is exempt from public disclosure.

The docket web page can be found at *www1.eere.energy.gov/buildings/appliance_standards/standards.aspx?productid=56.* The docket web page contains simple instructions on how to access all documents, including public comments, in the docket.

For further information on how to review the docket, contact the Appliance and Equipment Standards Program staff at (202) 586–6636 or by email: *WICF2015STD0016@ee.doe.gov.*

FOR FURTHER INFORMATION CONTACT:

Ashley Armstrong, U.S. Department of Energy, Office of Energy Efficiency and Renewable Energy, Building Technologies Office, EE–5B, 1000 Independence Avenue SW., Washington, DC 20585–0121. Telephone: (202) 586–6590. Email: *walk-in_coolers_and_walk-in_freezers@ee.doe.gov.*

Michael Kido, U.S. Department of Energy, Office of the General Counsel, GC–33, 1000 Independence Avenue SW., Washington, DC 20585–0121. Telephone: (202) 586–8145. Email: *michael.kido@hq.doe.gov.*

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I. Synopsis of the Final Rule

Title III, Part C [1] of the Energy Policy and Conservation Act of 1975 (''EPCA'' or, in context, ''the Act''), Public Law 94–163 (42 U.S.C. 6291–6309, as codified), established the Energy Conservation Program for Consumer Products Other Than Automobiles.[2] The Act, and its numerous amendments, reaches a variety of products and equipment that the Department of Energy (''DOE'') must treat as covered products and equipment (and thus that are subject to regulation). Among the types of covered equipment that DOE must regulate are walk-in coolers and walk-in freezers (collectively, ''WICFs'' or ''walk-ins''). Included within this regulatory scope are the refrigeration systems used in this equipment, such as low-temperature dedicated condensing systems and both medium- and low-temperature unit coolers,[3] the subjects of this rulemaking.

Pursuant to EPCA, any new or amended energy conservation standard must be designed to achieve the maximum improvement in energy efficiency that DOE determines is technologically feasible and economically justified. (42 U.S.C. 6313(f)(4)(A)) Furthermore, the new or amended standard must result in significant conservation of energy. (42 U.S.C. 6316(a) and 6295(o)(3)(B))

In accordance with these and other statutory provisions discussed in this document, DOE is adopting energy conservation standards for the following classes of WICF refrigeration systems: Low-temperature dedicated condensing refrigeration systems and both medium- and low-temperature unit coolers. These standards that will be in addition to the standards that DOE has already promulgated for medium-temperature dedicated condensing refrigeration systems. See 10 CFR 431.306(e) as amended by 80 FR 69837 (November 12, 2015). The adopted standards, which are expressed in terms of an annual walk-in energy factor (''AWEF''), are shown in Table I–1. AWEF is an annualized refrigeration efficiency metric that expresses the ratio of the heat load that a system can reject (in Btus) to the energy required to reject that load (in watt-hours). These standards apply to all applicable WICF refrigeration systems listed in Table I–1 and manufactured in, or imported into, the United States starting on the compliance date specified at the beginning of this document and in the regulatory text that follows this discussion.

TABLE I–1—ENERGY CONSERVATION STANDARDS FOR WICF REFRIGERATION SYSTEMS

Equipment class	Minimum AWEF (Btu/W-h) *
Dedicated Condensing System—Low, Indoor with a Net Capacity (q_{net}) of:	
<6,500 Btu/h	$9.091 \times 10^{-5} \times q_{net} + 1.81$.
≥6,500 Btu/h	2.40.
Dedicated Condensing System—Low, Outdoor with a Net Capacity (q_{net}) of:	
<6,500 Btu/h	$6.522 \times 10^{-5} \times q_{net} + 2.73$.
≥6,500 Btu/h	3.15.
Unit Cooler—Medium	9.00.
Unit Cooler—Low with a Net Capacity (q_{net}) of:	
<15,500 Btu/h	$1.575 \times 10^{-5} \times q_{net} + 3.91$.
≥15,500 Btu/h	4.15.

* Where q_{net} is net capacity as determined in accordance with 10 CFR 431.304 and certified in accordance with 10 CFR part 429.

[1] For editorial reasons, upon codification in the U.S. Code, Part B was redesignated Part A and Part C as Part A–1.

[2] All references to EPCA in this document refer to the statute as amended through the Energy Efficiency Improvement Act of 2015, Public Law 114–11 (April 30, 2015).

[3] In previous proceedings, most notably the June 2014 final rule, DOE used the terminology ''multiplex condensing'' (abbreviated ''MC'') to refer to the class of equipment represented by a unit cooler, which for purposes of testing and certification is rated as though it would be connected to a multiplex condensing system. In a separate test procedure rulemaking, DOE has changed the terminology to better reflect the equipment itself, which consists of a unit cooler sold without a condensing unit, and which can ultimately be used in either a multiplex condensing or dedicated condensing application. Accordingly, in this document, DOE has changed the class name from ''multiplex condensing'' to ''unit cooler'' and the class abbreviation from ''MC'' to ''UC.''

In various places in this document, DOE will use the following acronyms to denote the equipment classes of walk-in refrigeration systems that are subject to this rulemaking:

—DC.L.I. (dedicated condensing, low-temperature, indoor unit)
—DC.L.O (dedicated condensing, low-temperature, outdoor unit)
—UC.L. (unit cooler, low-temperature)
—UC.M. (unit cooler, medium-temperature)

For reference, DOE will use the following acronyms to denote the two equipment classes of walk-in refrigeration systems which are not subject to this rulemaking but for which standards were established in the previous WICF rulemaking:

—DC.M.I (dedicated condensing, medium-temperature, indoor unit)
—DC.M.O (dedicated condensing, medium-temperature, outdoor unit)

A. Benefits and Costs to Consumers

Table I–2 presents DOE's evaluation of the economic impacts of the adopted standards on consumers of the considered WICF refrigeration systems (*i.e.,* medium- and low-temperature unit coolers and dedicated condensing low-temperature systems), as measured by the average life-cycle cost (''LCC'') savings and the simple payback period (''PBP'').[4] DOE's analysis demonstrates that the projected average LCC savings are positive for all considered equipment classes, and the projected PBP is less than the average lifetime of the considered WICF refrigeration systems, which is estimated to be 11 years (see section IV.F).

TABLE I–2—IMPACTS OF ADOPTED ENERGY CONSERVATION STANDARDS ON CONSUMERS OF WICF REFRIGERATION SYSTEMS

[TSL 3]

Equipment class	Application	Design path	Average life-cycle cost savings (2015$)	Simple payback period (years)
DC.L.I	Dedicated, Indoor	Condensing Unit Only *	1,272	1.5
	Dedicated, Indoor	Field—Paired **	1,397	1.5
	Dedicated, Indoor	Unit Cooler Only †	135	4.8
DC.L.O	Dedicated, Outdoor	Condensing Unit Only	2,839	1.2
	Dedicated, Outdoor	Field—Paired	3,294	1.4
	Dedicated, Outdoor	Unit Cooler Only	288	4.5
UC.L	Multiplex	Unit Cooler Only	$74	7.6
UC.M	Dedicated, Indoor	Unit Cooler Only	89	1.4
UC.M	Dedicated, Outdoor	Unit Cooler Only	87	1.8
UC.M	Multiplex	Unit Cooler Only	75	3.0

Note: DOE separately considers the impacts of unit cooler standards when the unit cooler is combined in an application with dedicated condensing equipment versus multiplex condensing equipment. In addition to low-temperatures unit coolers and dedicated condensing equipment DOE is examining the impacts of unit coolers that are combined with medium-temperature dedicated condensing equipment (DC.M.I and DC.M.O). DOE is not establishing standards for the latter, as they are covered by the June 2014 final rule and were not vacated by the Fifth Circuit order discussed below.

* Condensing Unit Only (CU-Only): This analysis evaluates standard levels applied to a condensing unit for a scenario in which a new condensing unit is installed to replace a failed condensing unit, but the existing baseline unit cooler is not replaced. See section IV.G.1.b for more details.

** Field-Paired (FP): This analysis evaluates a scenario in which both a new condensing unit and a new unit cooler are installed as paired equipment in the field. See section IV.G.1.a for more details.

† Unit Cooler Only (UC-Only): This analysis evaluates standard levels applied to a unit cooler for a scenario in which a new unit cooler is installed to replace a failed unit cooler, but the existing baseline condensing unit (or multiplex system) is not replaced. See section IV.G.1.c for more details.

DOE's analysis of the impacts of the adopted standards on consumers is described in section IV.F of this document.

B. Impact on Manufacturers

The industry net present value (''INPV'') is the sum of the discounted cash flows to the industry from the base year through the end of the analysis period (2016–2049). Using a real discount rate of 10.2 percent, DOE estimates that the INPV for manufacturers of WICF refrigeration systems in the case without amended standards is $97.9 million in 2015$. Under the adopted standards, DOE expects the change in INPV to range from −14.6 percent to −6.3 percent, which is approximately −$14.3 million to −$6.1 million. In order to bring products into compliance with standards, DOE expects the industry to incur total conversion costs of $18.7 million.

DOE's analysis of the impacts of the adopted standards on manufacturers is described in section IV.J and section V.B.2 of this document.

C. National Benefits and Costs [5]

DOE's analyses indicate that the adopted energy conservation standards for the considered WICF refrigeration systems would save a significant amount of energy. Relative to the case without adopting the standards, the lifetime energy savings for the considered WICF refrigeration systems purchased in the 30-year period that begins in the anticipated year of compliance with the standards (2020–2049), amount to 0.9 quadrillion British thermal units (''Btu''), or quads.[6] This represents a savings of 24 percent relative to the energy use of these

[4] The average LCC savings are measured relative to the efficiency distribution in the no-new-standards case, which depicts the market in the compliance year in the absence of standards (see section IV.F.9). The simple PBP, which is designed to compare specific efficiency levels, is measured relative to baseline equipment (see section IV.CD.7)

[5] All monetary values in this document are expressed in 2015 dollars and, where appropriate, are discounted to 2016 unless explicitly stated otherwise.

[6] The quantity refers to full-fuel-cycle (''FFC'') energy savings. FFC energy savings includes the energy consumed in extracting, processing, and transporting primary fuels (*i.e.,* coal, natural gas, petroleum fuels), and, thus, presents a more complete picture of the impacts of energy efficiency standards. For more information on the FFC metric, see section IV.H.1.

products in the case without standards (referred to as the ''no-new-standards case'').

The cumulative net present value (''NPV'') of total consumer benefits of the standards for the considered WICF refrigeration systems ranges from $1.4 billion (at a 7-percent discount rate) to $3.2 billion (at a 3-percent discount rate). This NPV expresses the estimated total value of future operating-cost savings minus the estimated increased equipment costs for the considered WICF refrigeration systems purchased in 2020–2049.

In addition, the adopted standards for the considered WICF refrigeration systems are projected to yield significant environmental benefits. DOE estimates that the standards will result in cumulative emission reductions (over the same period as for energy savings) of 46 million metric tons (Mt) [7] of carbon dioxide (CO_2), 36 thousand tons of sulfur dioxide (SO_2), 58 tons of nitrogen oxides (NO_X), 218 thousand tons of methane (CH_4), 0.7 thousand tons of nitrous oxide (N_2O), and 0.1 tons of mercury (Hg).[8] The estimated cumulative reduction in CO_2 emissions through 2030 amounts to 7.4 Mt, which is equivalent to the emissions resulting from the annual electricity use of more than 783 thousand homes.

The value of the CO_2 reduction is calculated using a range of values per metric ton (t) of CO_2 (otherwise known as the ''social cost of CO_2,'' or ''SC-CO_2'') developed by a Federal interagency working group.[9] The derivation of the SC-CO2 values is discussed in section IV.M.1. Using discount rates appropriate for each set of SC-CO_2 values, DOE estimates that the present value of the CO_2 emissions reduction is between $0.3 billion and $4.5 billion, with a value of $1.5 billion using the central SC-CO_2 case represented by $47.4/metric ton (t) in 2020.

DOE also calculated the value of the reduction in emissions of methane and nitrous oxide, using values for the social cost of methane (''SC-CH_4'') and the social cost of nitrous oxide (''SC-N_2O'') recently developed by the interagency working group.[10] See section IV.L.2 for a description of the methodology and the values used for DOE's analysis. The estimated present value of the methane emissions reduction is between $0.1 billion and $0.6 billion, with a value of $0.2 billion using the central SC-CH_4 case, and the estimated present value of the SC-N_2O emissions reduction is between $0.002 billion and $0.02 billion, with a value of $0.01 billion using the central SC-N_2O case. In this rule, DOE uses the term ''greenhouse gases'' (''GHGs'') to refer to carbon dioxide, methane, and nitrous oxide.

DOE also estimates the present value of the NO_X emissions reduction to be $0.10 billion using a 7-percent discount rate, and $0.04 billion using a 3-percent discount rate.[11] DOE is still investigating appropriate valuation of the reduction in other emissions, and therefore did not include any such values for those emissions in the analysis for this final rule. Because the inclusion of such values would only increase the already positive net benefit of the new standards, however, it would not affect the outcome of this rulemaking.

Table I–3 summarizes the economic benefits and costs expected to result from the adopted standards for the considered WICF refrigeration systems.

TABLE I–3—SELECTED CATEGORIES OF ECONOMIC BENEFITS AND COSTS OF ADOPTED ENERGY CONSERVATION STANDARDS FOR THE CONSIDERED WICF REFRIGERATION SYSTEMS

[TSL 3] *

Category	Present value (billion 2015$)	Discount rate (percent)
Benefits		
Consumer Operating Cost Savings	1.7	7
	3.8	3
GHG Reduction (using avg. social costs at 5% discount rate) **	0.4	5
GHG Reduction (using avg. social costs at 3% discount rate) **	1.7	3
GHG Reduction (using avg. social costs at 2.5% discount rate) **	2.7	2.5
GHG Reduction (using 95th percentile social costs at 3% discount rate) **	5.1	3
NO_X Reduction †	0.0	7
	0.1	3
Total Benefits ‡	3.5	7
	5.6	3

[7] A metric ton is equivalent to 1.1 short tons. Results for emissions other than CO_2 are presented in short tons.

[8] DOE calculated emissions reductions relative to the no-new-standards-case, which reflects key assumptions in the *Annual Energy Outlook 2016* (*AEO2016*). *AEO2016* represents current federal and state legislation and final implementation of regulations as of the end of February 2016. See section IV.L fur further discussion of *AEO2016* assumptions that effect air pollutant emissions.

[9] United States Government—Interagency Working Group on Social Cost of Carbon. *Technical Support Document: Technical Update of the Social Cost of Carbon for Regulatory Impact Analysis Under Executive Order 12866*. May 2013. Revised July 2015. *www.whitehouse.gov/sites/default/files/omb/inforeg/scc-tsd-final-july-2015.pdf.*

[10] United States Government—Interagency Working Group on Social Cost of Greenhouse Gases. Addendum to Technical Support Document on Social Cost of Carbon for Regulatory Impact Analysis under Executive Order 12866: Application of the Methodology to Estimate the Social Cost of Methane and the Social Cost of Nitrous Oxide. August 2016. *www.whitehouse.gov/sites/default/files/omb/inforeg/august_2016_sc_ch4_sc_n2o_addendum_final_8_26_16.pdf.*

[11] DOE estimated the monetized value of NO_X emissions reductions associated with electricity savings using benefit per ton estimates from the *Regulatory Impact Analysis for the Clean Power Plan Final Rule,* published in August 2015 by EPA's Office of Air Quality Planning and Standards. Available at *www.epa.gov/cleanpowerplan/clean-power-plan-final-rule-regulatory-impact-analysis.* See section IV.L.3 for further discussion. *The U.S. Supreme Court has stayed the rule implementing the Clean Power Plan until the current litigation against it concludes. Chamber of Commerce, et al.* v. *EPA, et al., Order in Pending Case, 577 U.S.__, 136 S.Ct. 999__((2016). However, the benefit-per-ton estimates established in the Regulatory Impact Analysis for the Clean Power Plan are based on scientific studies that remain valid irrespective of the legal status of the Clean Power Plan. To be conservative,* DOE is primarily using a lower national benefit-per-ton estimate for NO_X emitted from the Electricity Generating Unit sector based on an estimate of premature mortality derived from the ACS study (Krewski *et al.* 2009). If the benefit-per-ton estimates were based on the Six Cities study (Lepuele *et al.* 2011), the values would be nearly two-and-a-half times larger.

TABLE I–3—SELECTED CATEGORIES OF ECONOMIC BENEFITS AND COSTS OF ADOPTED ENERGY CONSERVATION STANDARDS FOR THE CONSIDERED WICF REFRIGERATION SYSTEMS—Continued

[TSL 3]*

Category	Present value (billion 2015$)	Discount rate (percent)
Costs		
Consumer Incremental Installed Costs	0.3 0.6	7 3
Total Net Benefits		
Including GHG and NO_X Reduction Monetized Value‡	3.1 5.0	7 3

* This table presents the costs and benefits associated with considered WICF refrigeration systems shipped in 2020–2049. These results include benefits to consumers which accrue after 2049 from the products shipped in 2020–2049. The incremental installed costs include incremental equipment cost as well as installation costs. The costs account for the incremental variable and fixed costs incurred by manufacturers due to the adopted standards, some of which may be incurred in preparation for the rule. The GHG reduction benefits are global benefits due to actions that occur domestically.

** The interagency group selected four sets of SC-CO_2, SC-CH_4, and SC-N_2O values for use in regulatory analyses. Three sets of values are based on the average social costs from the integrated assessment models, at discount rates of 5 percent, 3 percent, and 2.5 percent. The fourth set, which represents the 95th percentile of the social cost distributions calculated using a 3-percent discount rate, is included to represent higher-than-expected impacts from climate change further out in the tails of the social cost distributions. The social cost values are emission year specific. See section IV.L.1 for more details.

† DOE estimated the monetized value of NO_X emissions reductions associated with electricity savings using benefit per ton estimates from the *Regulatory Impact Analysis for the Clean Power Plan Final Rule,* published in August 2015 by EPA's Office of Air Quality Planning and Standards. (Available at *www.epa.gov/cleanpowerplan/clean-power-plan-final-rule-regulatory-impact-analysis*.) See section IV.M.3 for further discussion. *To be conservative,* DOE is primarily using a national benefit-per-ton estimate for NO_X emitted from the electricity generation sector based on an estimate of premature mortality derived from the ACS study (Krewski *et al.* 2009). If the benefit-per-ton estimates were based on the Six Cities study (Lepuele *et al.* 2011), the values would be nearly two-and-a-half times larger.

‡ Total Benefits for both the 3-percent and 7-percent cases are presented using the average social costs with 3-percent discount rate.

The benefits and costs of the adopted standards, for the considered WICF refrigeration systems sold in 2020–2049, can also be expressed in terms of annualized values. The monetary values for the total annualized net benefits are (1) the reduced consumer operating costs, minus (2) the increases in product purchase prices and installation costs, plus (3) the value of the benefits of GHG and NO_X emission reductions, all annualized.[12]

The national operating cost savings are domestic private U.S. consumer monetary savings that occur as a result of purchasing the covered products and are measured for the lifetime of the considered WICF refrigeration systems shipped in 2020–2049. The benefits associated with reduced GHG emissions achieved as a result of the adopted standards are also calculated based on the lifetime of WICF refrigeration systems shipped in 2020–2049. Because CO_2 emissions have a very long residence time in the atmosphere, the SC-CO_2 values for CO_2 emissions in future years reflect impacts that continue through 2300. The CO_2 reduction is a benefit that accrues globally. DOE maintains that consideration of global benefits is appropriate because of the global nature of the climate change problem.

Estimates of annualized benefits and costs of the adopted standards are shown in Table I–4. The results under the primary estimate are as follows. Using a 7-percent discount rate for benefits and costs other than GHG reductions (for which DOE used average social costs with a 3-percent discount rate),[13] the estimated cost of the adopted standards for the considered WICF refrigeration systems is $34 million per year in increased equipment costs, while the estimated annual benefits are $169 million in reduced equipment operating costs, $95 million in GHG reductions, and $4.2 million in reduced NO_X emissions. In this case, the net benefit amounts to $234 million per year.

Using a 3-percent discount rate for all benefits and costs, the estimated cost of the adopted standards for the considered WICF refrigeration systems is $36 million per year in increased equipment costs, while the estimated annual benefits are $213 million in reduced equipment operating costs, $95 million in GHG reductions, and $5.8 million in reduced NO_X emissions. In this case, the net benefit amounts to $279 million per year.

[12] To convert the time-series of costs and benefits into annualized values, DOE calculated a present value in 2016, the year used for discounting the NPV of total consumer costs and savings. For the benefits, DOE calculated a present value associated with each year's shipments in the year in which the shipments occur (*e.g.,* 2020 or 2030), and then discounted the present value from each year to 2016. The calculation uses discount rates of 3 and 7 percent for all costs and benefits except for the value of GHG reductions, for which DOE used case-specific discount rates, as shown in Table I–3. Using the present value, DOE then calculated the fixed annual payment over a 30-year period, starting in the compliance year, that yields the same present value.

[13] DOE used average social costs with a 3-percent discount rate because these values are considered as the ''central'' estimates by the interagency group.

TABLE I–4—SELECTED CATEGORIES OF ANNUALIZED BENEFITS AND COSTS OF ADOPTED STANDARDS (TSL 3) FOR CONSIDERED WICF REFRIGERATION SYSTEMS

	Discount rate (percent)	Primary estimate	Low-net-benefits estimate	High-net-benefits estimate
		Million 2015$/year		
Benefits				
Consumer Operating Cost Savings	7	169.3	158.4	183.0.
	3	213.4	196.9	233.9.
GHG Reduction (using avg. social costs at 5% discount rate) **.	5	29.8	27.2	32.4.
GHG Reduction (using avg. social costs at 3% discount rate) **.	3	95.3	86.7	104.0.
GHG Reduction (using avg. social costs at 2.5% discount rate) **.	2.5	137.7	125.1	150.4.
GHG Reduction (using 95th percentile social costs at 3% discount rate) **.	3	285.8	259.8	311.9.
NO_X Reduction †	7	4.2	3.9	10.1.
	3	5.8	5.3	14.3.
Total Benefits ††	7 plus GHG range	203 to 459	190 to 422	225 to 505.
	7	269	249	297.
	3 plus GHG range	249 to 505	229 to 462	281 to 560.
	3	314	289	352.
Costs				
Consumer Incremental Equipment Costs	7	34	36	33.
	3	36	38	34.
Net Benefits				
Total ††	7 plus GHG range	169 to 425	154 to 386	192 to 472.
	7	234	213	264.
	3 plus GHG range	213 to 469	192 to 424	247 to 526.
	3	279	251	318.

* This table presents the annualized costs and benefits associated with the considered WICF refrigeration systems shipped in 2020–2049. These results include benefits to consumers which accrue after 2049 from the WICF refrigeration systems purchased from 2020–2049. The incremental installed costs include incremental equipment cost as well as installation costs. The results account for the incremental variable and fixed costs incurred by manufacturers due to the adopted standards, some of which may be incurred in preparation for the rule. The GHG reduction benefits are global benefits due to actions that occur nationally. The Primary, Low Net Benefits, and High Net Benefits Estimates utilize projections of energy prices and real GDP from the *AEO2016* No-CPP case, a Low Economic Growth case, and a High Economic Growth case, respectively. In addition, incremental product costs reflect constant prices in the Primary Estimate, a low decline rate in the Low Benefits Estimate, and a high decline rate in the High Benefits Estimate. The methods used to derive projected price trends are explained in section IV.G. Note that the Benefits and Costs may not sum to the Net Benefits due to rounding. The equipment price projection is described in section IV.G.2 of this document and chapter 8 of the final rule technical support document (TSD). In addition, DOE used estimates for equipment efficiency distribution in its analysis based on national data supplied by industry. Purchases of higher efficiency equipment are a result of many different factors unique to each consumer including boiler heating loads, installation costs, site environmental consideration, and others. For each consumer, all other factors being the same, it would be anticipated that higher efficiency purchases in the baseline would correlate positively with higher energy prices. To the extent that this occurs, it would be expected to result in some lowering of the consumer operating cost savings from those calculated in this rule.

** The interagency group selected four sets of SC-CO_2 SC-CH_4, and SC-N_2O values for use in regulatory analyses. Three sets of values are based on the average social costs from the integrated assessment models, at discount rates of 5 percent, 3 percent, and 2.5 percent. The fourth set, which represents the 95th percentile of the social cost distributions calculated using a 3-percent discount rate, is included to represent higher-than-expected impacts from climate change further out in the tails of the social cost distributions. The social cost values are emission year specific. See section IV.L for more details.

† DOE estimated the monetized value of NO_X emissions reductions associated with electricity savings using benefit per ton estimates from the *Regulatory Impact Analysis for the Clean Power Plan Final Rule,* published in August 2015 by EPA's Office of Air Quality Planning and Standards. (Available at *www.epa.gov/cleanpowerplan/clean-power-plan-final-rule-regulatory-impact-analysis*.) See section IV.M.3 for further discussion. For the Primary Estimate and Low Net Benefits Estimate, DOE used national benefit-per-ton estimates for NO_X emitted from the Electric Generating Unit sector based on an estimate of premature mortality derived from the ACS study (Krewski *et al.* 2009). For the High Net Benefits Estimate, the benefit-per-ton estimates were based on the Six Cities study (Lepuele *et al.* 2011); these are nearly two-and-a-half times larger than those from the ACS study.

†† Total Benefits for both the 3-percent and 7-percent cases are presented using the average social costs with 3-percent discount rate. In the rows labeled ''7% plus GHG range'' and ''3% plus GHG range,'' the operating cost and NO_X benefits are calculated using the labeled discount rate, and those values are added to the full range of social cost values.

D. Conclusion

Based on the analyses culminating in this final rule, DOE found the benefits to the Nation of the standards (energy savings, consumer LCC savings, positive NPV of consumer benefit, and emission reductions) outweigh the burdens (loss of INPV and LCC increases for some users of these products). DOE has concluded that the standards in this final rule represent the maximum improvement in energy efficiency that is technologically feasible and economically justified, and would result in significant conservation of energy.

II. Introduction

The following section briefly discusses the statutory authority underlying this final rule, as well as

some of the relevant historical background related to the establishment of standards for WICF refrigeration systems.

A. Authority

Title III, Part C of EPCA, as amended, includes the refrigeration systems used in walk-ins that are the subject of this rulemaking. (42 U.S.C. 6291–6309) EPCA, as amended, prescribed certain prescriptive energy conservation standards for these equipment (42 U.S.C. 6313(f)), and directs DOE to conduct future rulemakings to establish performance-based energy conservation standards and to later determine whether those standards should be amended. (42 U.S.C. 6313(f)(4)(A), (5)) Under 42 U.S.C. 6295(m), which applies to walk-ins through 42 U.S.C. 6316(a), the agency must periodically review its already established energy conservation standards for a covered product no later than 6 years from the issuance of a final rule establishing or amending a standard for a covered product.

Pursuant to EPCA, DOE's energy conservation program for covered products consists essentially of four parts: (1) Testing, (2) labeling, (3) the establishment of Federal energy conservation standards, and (4) certification and enforcement procedures. Subject to certain criteria and conditions, DOE is required to develop test procedures to measure the energy efficiency, energy use, or estimated annual operating cost of each covered product. (42 U.S.C. 6295(o)(3)(A) and (r) and 6316(a)) Manufacturers of covered equipment must use the prescribed DOE test procedure as the basis for certifying to DOE that their equipment complies with the applicable energy conservation standards adopted under EPCA and when making representations to the public regarding the energy use or efficiency of that equipment. (42 U.S.C. 6314(d), 6295(s) and 6316(a)) Similarly, DOE must use these test procedures to determine whether the equipment complies with standards adopted pursuant to EPCA. (42 U.S.C. 6295(s) and 6316(a)) The DOE test procedures for WICF refrigeration systems appear at title 10 of the Code of Federal Regulations (''CFR'') § 431.304.

DOE has recently published a final rule (''December 2016 TP final rule'') amending the test procedures applicable to the equipment classes addressed in this final rule, 81 FR 95758 (December 28, 2016). The standards established in this rulemaking were evaluated using those concurrently amended test procedures. While DOE typically finalizes its test procedures for a given regulated product or equipment prior to proposing new or amended energy conservation standards for that product or equipment, see 10 CFR part 430, subpart C, Appendix A, sec. 7(c) (''Procedures, Interpretations and Policies for Consideration of New or Revised Energy Conservation Standards for Consumer Products'' or ''Process Rule''), DOE did not do so in this instance. As part of the negotiated rulemaking that led to the Term Sheet setting out the standards that DOE is adopting, Working Group members recommended (with ASRAC's approval) that DOE modify its test procedure for walk-in refrigeration systems. The test procedure changes at issue clarify the scope of equipment classes covered by the regulations, modify the test procedure to ensure that it avoids measuring efficiency benefits for technology options deemed by the Working Group to be inappropriate for consideration under the standards rulemaking, and simplify the structure of the current test procedure as presented in the CFR. Separate from the changes affecting the test procedure itself, DOE's test procedure rule also finalized an approach establishing labeling requirements to mitigate the regulatory burden on installers of walk-ins. Specifically, the test procedure explained that walk-in installers are not required to submit certification reports for the complete walk-in. Additionally, an installer that uses certified components with labels that meets DOE's requirements bears no responsibility for the testing and certification of those walk-in components. The installer is permitted to rely upon the representations of the manufacturer of a WICF component to ensure compliance of the component; if those representations turn out to be false, the component manufacturer is responsible. See Docket No. EERE–2016–BT–TP–0030.

In DOE's view, all of these amendments to the test procedure rule have been consistent with the approach agreed upon by the various parties who participated in the negotiated rulemaking. On July 29, 2016, well before the publication of the energy conservation standard NOPR on September 13, 2016 (81 FR 62979), DOE publicly issued a pre-publication version of the test procedure NOPR, which immediately made it available for all members of the public, including participating stakeholders, to review. As a result, all members of the Working Group and other interested parties had an ample opportunity to review the proposed procedure and evaluate the proposed WICF energy conservation standards against the backdrop of the proposed test procedures, which are consistent with the final test procedures. Thus, DOE concludes that publishing a final version of the test procedure rule—which adopts the limited changes to method for measuring a refrigeration system's AWEF that were proposed in the NOPR—prior to the publication of the standards proposal was not necessary. Accordingly, consistent with section 14 of the Process Rule, DOE has concluded that its deviation from the Process Rule is appropriate here.

DOE must follow specific statutory criteria for prescribing new or amended standards for covered products, including WICF refrigeration systems. Any new or amended standard for a covered product must be designed to achieve the maximum improvement in energy efficiency that the Secretary of Energy determines is technologically feasible and economically justified. (42 U.S.C. 6295(o)(2)(A)–(3)(B) and 6316(a)) Furthermore, DOE may not adopt any standard that would not result in the significant conservation of energy. (42 U.S.C. 6295(o)(3) and 6316(a)) Moreover, DOE may not prescribe a standard (1) for certain equipment, including WICF refrigeration systems, if no test procedure has been established for the product, or (2) if DOE determines by rule that the standard is not technologically feasible or economically justified. (42 U.S.C. 6295(o)(3)(A)–(B) and 6316(a)) In deciding whether a standard is economically justified, DOE must determine whether the benefits of the standard exceed its burdens. (42 U.S.C. 6295(o)(2)(B)(i) and 6316(a)) DOE must make this determination after proposing the standard and receiving comments on it, and by considering, to the greatest extent practicable, the following seven statutory factors:

(1) The economic impact of the standard on manufacturers and consumers of the equipment subject to the standard;

(2) The savings in operating costs throughout the estimated average life of the covered equipment in the type (or class) compared to any increase in the price, initial charges, or maintenance expenses for the covered equipment that are likely to result from the standard;

(3) The total projected amount of energy (or as applicable, water) savings likely to result directly from the standard;

(4) Any lessening of the utility or the performance of the covered equipment likely to result from the standard;

(5) The impact of any lessening of competition, as determined in writing

by the Attorney General, that is likely to result from the standard;

(6) The need for national energy and water conservation; and

(7) Other factors the Secretary of Energy (Secretary) considers relevant. (42 U.S.C. 6295(o)(2)(B)(i)(I)–(VII) and 6316(a))

Further, EPCA, as codified, establishes a rebuttable presumption that a standard is economically justified if the Secretary finds that the additional cost to the consumer of purchasing equipment complying with an energy conservation standard level will be less than three times the value of the energy savings during the first year that the consumer will receive as a result of the standard, as calculated under the applicable test procedure.[14] (42 U.S.C. 6295(o)(2)(B)(iii) and 6316(a))

EPCA, as codified, also contains what is known as an ''anti-backsliding'' provision, which prevents the Secretary from prescribing any amended standard that either increases the maximum allowable energy use or decreases the minimum required energy efficiency of covered equipment. (42 U.S.C. 6295(o)(1) and 6316(a)) Also, the Secretary may not prescribe an amended or new standard if interested persons have established by a preponderance of the evidence that the standard is likely to result in the unavailability in the United States in any covered equipment type (or class) of performance characteristics (including reliability), features, sizes, capacities, and volumes that are substantially the same as those generally available in the United States. (42 U.S.C. 6295(o)(4) and 6316(a))

Additionally, EPCA specifies requirements when promulgating an energy conservation standard for covered equipment that has two or more subcategories. DOE must specify a different standard level for a type or class of equipment that has the same function or intended use if DOE determines that products within such group (A) consume a different kind of energy from that consumed by other covered equipment within such type (or class); or (B) have a capacity or other performance-related feature which other equipment within such type (or class) do not have and such feature justifies a higher or lower standard. (42 U.S.C. 6295(q)(1) and 6316(a)) In determining whether a performance-related feature justifies a different standard for a group of equipment, DOE must consider such factors as the utility to the consumer of such a feature and other factors DOE deems appropriate. *Id.* Any rule prescribing such a standard must include an explanation of the basis on which such higher or lower level was established. (42 U.S.C. 6295(q)(2) and 6316(a))

Federal energy conservation requirements generally supersede State laws or regulations concerning energy conservation testing, labeling, and standards. (42 U.S.C. 6297(a) through (c) and 6316(a)) DOE may, however, grant waivers of Federal preemption for particular State laws or regulations, in accordance with the procedures and other provisions set forth under 42 U.S.C. 6297(d) and 6316(a).

Finally, pursuant to the amendments contained in the Energy Independence and Security Act of 2007 (''EISA 2007''), Public Law 110–140, any final rule for new or amended energy conservation standards promulgated after July 1, 2010, is required to address standby mode and off mode energy use. (42 U.S.C. 6295(gg)(3)) Specifically, when DOE adopts a standard for a covered product after that date, it must, if justified by the criteria for adoption of standards under EPCA (42 U.S.C. 6295(o)), incorporate standby mode and off mode energy use into a single standard, or, if that is not feasible, adopt a separate standard for such energy use for that equipment. (42 U.S.C. 6295(gg)(3)(A)–(B)) In the case of WICFs, DOE is continuing to apply this approach to provide analytical consistency when evaluating energy conservation standards for this equipment. See generally, 42 U.S.C. 6316(a).

B. Background

A walk-in is an enclosed storage space refrigerated to temperatures above, and at or below, respectively, 32 °F that can be walked into and has a total chilled storage area of less than 3,000 square feet. (42 U.S.C. 6311(20)) By definition, equipment designed and marketed exclusively for medical, scientific, or research purposes are excluded. See id.

EPCA also provides prescriptive standards for walk-ins manufactured starting on January 1, 2009. First, walk-ins must have automatic door closers that firmly close all walk-in doors that have been closed to within 1 inch of full closure, for all doors narrower than 3 feet 9 inches and shorter than 7 feet and must also have strip doors, spring hinged doors, or other methods of minimizing infiltration when doors are open. Additionally, they must also contain wall, ceiling, and door insulation of at least R–25 for coolers and R–32 for freezers, excluding glazed portions of doors and structural members, and floor insulation of at least R–28 for freezers. Walk-in evaporator fan motors of under 1 horsepower (''hp'') and less than 460 volts must be electronically commutated motors (brushless direct current motors) or three-phase motors, and walk-in condenser fan motors of under 1 horsepower must use permanent split capacitor motors, electronically commutated motors, or three-phase motors. Interior light sources must have an efficacy of 40 lumens per watt or more, including any ballast losses; less-efficacious lights may only be used in conjunction with a timer or device that turns off the lights within 15 minutes of when the walk-in is unoccupied. See 42 U.S.C. 6313(f)(1).

Second, walk-ins have requirements related to electronically commutated motors used in them. See 42 U.S.C. 6313(f)(2)). Specifically, in those walk-ins that use an evaporator fan motor with a rating of under 1 hp and less than 460 volts, that motor must be either a three-phase motor or an electronically commutated motor unless DOE determined prior to January 1, 2009 that electronically commutated motors are available from only one manufacturer. (42 U.S.C. 6313(f)(2)(A)) Consistent with this requirement, DOE eventually determined that more than one manufacturer offered these motors for sale, which effectively made electronically commutated motors a required design standard for use with evaporative fan motors rated at under 1 hp and under 460 volts. DOE documented this determination in the rulemaking docket as docket ID EERE–2008–BT–STD–0015–0072. This document can be found at *www.regulations.gov/#!documentDetail;D=EERE-2008-BT-STD-0015-0072*. Additionally, DOE may permit the use of other types of motors as evaporative fan motors—if DOE determines that, on average, those other motor types use no more energy in evaporative fan applications than electronically commutated motors. (42 U.S.C. 6313(f)(2)(B)) DOE is unaware of any other motors that would offer performance levels comparable to the electronically commutated motors required by Congress. Accordingly, all evaporator motors rated at under 1 hp and under 460 volts must be electronically commutated motors or three-phase motors.

Third, EPCA requires that walk-in freezers with transparent reach-in doors must have triple-pane glass with either heat-reflective treated glass or gas fill for doors and windows. Cooler doors must have either double-pane glass with

[14] This is equivalent to stating that the rebuttable presumption of a standard is justified if the simple payback to the consumer, as calculated under the applicable test procedures, of the purchased equipment is equal to, or less than 3 years.

treated glass and gas fill or triple-pane glass with treated glass or gas fill. (42 U.S.C. 6313(f)(3)(A)–(B)) For walk-ins with transparent reach-in doors, EISA 2007 also prescribed specific anti-sweat heater-related requirements: Walk-ins without anti-sweat heater controls must have a heater power draw of no more than 7.1 or 3.0 watts per square foot of door opening for freezers and coolers, respectively. Walk-ins with anti-sweat heater controls must either have a heater power draw of no more than 7.1 or 3.0 watts per square foot of door opening for freezers and coolers, respectively, or the anti-sweat heater controls must reduce the energy use of the heater in a quantity corresponding to the relative humidity of the air outside the door or to the condensation on the inner glass pane. See 42 U.S.C. 6313(f)(3)(C)–(D).

EPCA also directed the Secretary to issue performance-based standards for walk-ins that would apply to equipment manufactured three (3) years after the final rule is published, or five (5) years if the Secretary determines by rule that a 3-year period is inadequate. (42 U.S.C. 6313(f)(4)) In a final rule published on June 3, 2014 (June 2014 final rule), DOE prescribed performance-based standards for walk-ins manufactured on or after June 5, 2017. 79 FR 32050. These standards applied to a walk-in's main components: Refrigeration systems, panels, and doors. The standards were expressed in terms of AWEF for the walk-in refrigeration systems, R-value for walk-in panels, and maximum energy consumption for walk-in doors. The standards are shown in Table II–1 and Table II–2.

TABLE II–1—ENERGY CONSERVATION STANDARDS FOR WALK-IN COOLER AND WALK-IN FREEZER REFRIGERATION SYSTEMS SET FORTH IN 2014 RULE

Class descriptor	Class	Standard level min. AWEF (Btu/W-h) *
Dedicated Condensing, Medium—Temperature, Indoor System, <9,000 Btu/h Capacity.	DC.M.I, <9,000	5.61
Dedicated Condensing, Medium—Temperature, Indoor System, ≥9,000 Btu/h Capacity.	DC.M.I, ≥9,000	5.61
Dedicated Condensing, Medium—Temperature, Outdoor System, <9,000 Btu/h Capacity.	DC.M.O, <9,000	7.60
Dedicated Condensing, Medium—Temperature, Outdoor System, ≥9,000 Btu/h Capacity.	DC.M.O, ≥9,000	7.60
Dedicated Condensing, Low-Temperature, Indoor System, <9,000 Btu/h Capacity	DC.L.I, <9,000	$5.93 \times 10–5 \times Q + 2.33$
Dedicated Condensing, Low-Temperature, Indoor System, ≥9,000 Btu/h Capacity	DC.L.I, ≥9,000	3.10
Dedicated Condensing, Low-Temperature, Outdoor System, <9,000 Btu/h Capacity.	DC.L.O, <9,000	$2.30 \times 10–4 \times Q + 2.73$
Dedicated Condensing, Low-Temperature, Outdoor System, ≥9,000 Btu/h Capacity.	DC.L.O, ≥9,000	4.79
Multiplex Condensing, Medium—Temperature **	MC.M	10.89
Multiplex Condensing, Low-Temperature **	MC.L	6.57

* These standards were expressed in terms of *Q*, which represents the system gross capacity as calculated in AHRI 1250.

** DOE used this terminology to refer to these equipment classes in the June 2014 final rule. In this rule, DOE has changed ''multiplex condensing'' to ''unit cooler'' and the abbreviation ''MC'' to ''UC,'' consistent with the separate test procedure rulemaking conducted by DOE.

TABLE II–2—ENERGY CONSERVATION STANDARDS FOR WALK-IN COOLER AND WALK-IN FREEZER PANELS AND DOORS SET FORTH IN 2014 RULE

Class descriptor	Class	Standard level
Panels		Min. R-value (h-ft2-°F/Btu)
Structural Panel, Medium-Temperature	SP.M	25
Structural Panel, Low-Temperature	SP.L	32
Floor Panel, Low-Temperature	FP.L	28
Non-display doors		Max. energy consumption (kWh/day) †
Passage Door, Medium-Temperature	PD.M	$0.05 \times And + 1.7$
Passage Door, Low-Temperature	PD.L	$0.14 \times And + 4.8$
Freight Door, Medium-Temperature	FD.M	$0.04 \times And + 1.9$
Freight Door, Low-Temperature	FD.L	$0.12 \times And + 5.6$
Display doors		Max. energy consumption (kWh/day) ††
Display Door, Medium-Temperature	DD.M	$0.04 \times Add + 0.41$
Display Door, Low-Temperature	DD.L	$0.15 \times Add + 0.29$

† And represents the surface area of the non-display door.

†† Add represents the surface area of the display door.

After publication of the June 2014 final Rule, the Air-Conditioning, Heating and Refrigeration Institute (''AHRI'') and Lennox International, Inc. (''Lennox'') (a manufacturer of WICF refrigeration systems) filed petitions for review of DOE's final rule and DOE's subsequent denial of a petition for reconsideration of the rule with the United States Court of Appeals for the Fifth Circuit. *Lennox Int'l* v. *Dep't of Energy,* Case No. 14–60535 (5th Cir.). Other WICF refrigeration system manufacturers—Rheem Manufacturing Co., Heat Transfer Products Group (a subsidiary of Rheem Manufacturing Co.), and Hussmann Corp.—along with the Air Conditioning Contractors of America (''ACCA'') (a trade association representing contractors who install WICF refrigeration systems) intervened on the petitioners' behalf. The Natural Resources Defense Council (''NRDC''), the American Council for an Energy-Efficient Economy, and the Texas Ratepayers' Organization to Save Energy intervened on behalf of DOE. As a result of this litigation, a settlement agreement was reached to address, among other things, six of the refrigeration system standards—each of which is addressed in this document.[15]

A controlling court order from the Fifth Circuit, which was issued on August 10, 2015, vacated those six standards. These vacated standards related to (1) the two energy conservation standards applicable to multiplex condensing refrigeration systems (re-named as ''unit coolers'' for purposes of this rule) operating at medium and low temperatures and (2) the four energy conservation standards applicable to dedicated condensing refrigeration systems operating at low temperatures. See 79 FR at 32124 (June 3, 2014). The thirteen other standards established in the June 2014 final rule and shown in Table II–1 and Table II–2 (that is, the four standards applicable to dedicated condensing refrigeration systems operating at medium temperatures; the three standards applicable to panels; and the six standards applicable to doors) were not vacated and remain subject to the June 5, 2017 compliance date prescribed by the June 2014 final rule.[16] To help clarify the applicability of these standards, DOE is also modifying the organization of its regulations to specify the compliance date of these existing standards and the standards finalized in this rule. To aid in readability, DOE is replacing the existing table at 10 CFR 431.306(e) with a new table that incorporates both the refrigeration system standards established in this rule and the existing refrigeration system standards and clarifies the compliance dates for both sets of standards.

In addition, DOE notes that the existing standard for all capacities of dedicated condensing, medium-temperature, indoor refrigeration systems requires that these equipment classes meet a minimum AWEF of 5.61 Btu/W-h. Likewise, all capacities of dedicated condensing, medium-temperature, outdoor refrigeration systems must meet a minimum AWEF of 7.60 Btu/W-h. Rather than listing multiple ranges of capacity for both indoor and outdoor classes, DOE has modified the organization of these standards by grouping these classes into two line items, each showing the standard for the relevant full capacity range.

After the Fifth Circuit issued its order, DOE established a working group to negotiate energy conservation standards to replace the six vacated standards. Specifically, on August 5, 2015, DOE published a notice of intent to establish a WICF Working Group. 80 FR 46521. The Working Group was established under the Appliance Standards and Rulemaking Federal Advisory Committee (''ASRAC'') in accordance with the Federal Advisory Committee Act (''FACA'') and the Negotiated Rulemaking Act (''NRA''). (5 U.S.C. App. 2; 5 U.S.C. 561–570, Pub. L. 104–320.) The purpose of the Working Group was to discuss and, if possible, reach consensus on standard levels for the energy efficiency of the affected classes of WICF refrigeration systems. The Working Group was to consist of representatives of parties having a defined stake in the outcome of the standards, and the group would consult as appropriate with a range of experts on technical issues.

Ultimately, the Working Group consisted of 12 members and one DOE representative (see Table II–3). (See Appendix A, List of Members and Affiliates, Negotiated Rulemaking Working Group Ground Rules, Docket No. EERE–2015–BT–STD–0016, No. 5 at p. 5.) The Working Group met in-person during 13 days of meetings held August 27, September 11, September 30, October 1, October 15, October 16, November 3, November 4, November 20, December 3, December 4, December 14, and December 15, 2015.

TABLE II–3—ASRAC WALK-IN COOLERS AND FREEZERS WORKING GROUP MEMBERS AND AFFILIATIONS

Member	Affiliation	Abbreviation
Ashley Armstrong	U.S. Department of Energy	DOE.
Lane Burt	Natural Resources Defense Council	NRDC.
Mary Dane	Traulsen	Traulsen.
Cyril Fowble	Lennox International, Inc. (Heatcraft)	Lennox.
Sean Gouw	California Investor-Owned Utilities	CA IOUs.
Andrew Haala	Hussmann Corp	Hussmann.
Armin Hauer	ebm-papst, Inc	ebm-papst.
John Koon	Manitowoc Company	Manitowoc.
Joanna Mauer	Appliance Standards Awareness Project	ASAP.
Charlie McCrudden	Air Conditioning Contractors of America	ACCA.
Louis Starr	Northwest Energy Efficiency Alliance	NEEA.
Michael Straub	Rheem Manufacturing (Heat Transfer Products Group)	Rheem.
Wayne Warner	Emerson Climate Technologies	Emerson.

[15] The ''six'' standards established in the 2014 final rule and vacated by the Fifth Circuit court order have become ''seven'' standards due to the split of one of the equipment classes based on capacity. Specifically, the ''multiplex condensing, low-temperature'' class (see 79 FR 32050, 32124 (June 3, 2014)) has become two classes of ''unit cooler, low-temperature,'', one with capacity (q_{net}) less than 15,500 Btu/h, and the other with capacity greater or equal to 15,500 Btu/h (see Table I–1).

[16] DOE has issued an enforcement policy with respect to dedicated condensing refrigeration systems operating at medium temperatures. See *www.energy.gov/gc/downloads/walk-coolerwalk-freezer-refrigeration-systems-enforcement-policy.*

All of the meetings were open to the public and were also broadcast via webinar. Several people who were not members of the Working Group attended the meetings and were given the opportunity to comment on the proceedings. Non-Working Group meeting attendees are listed in Table II–4.

TABLE II–4—OTHER ASRAC WALK-IN COOLERS AND FREEZERS MEETING ATTENDEES AND AFFILIATIONS

Attendee	Affiliation	Abbreviation
Akash Bhatia	Tecumseh Products Company	Tecumseh.
Bryan Eisenhower	VaCom Technologies	VaCom.
Dean Groff	Danfoss	Danfoss.
Brian Lamberty	Unknown	Brian Lamberty.
Michael Layne	Turbo Air	Turbo Air.
Jon McHugh	McHugh Energy	McHugh Energy.
Yonghui (Frank) Xu	National Coil Company	National Coil.
Vince Zolli	Keeprite Refrigeration	Keeprite.

To facilitate the negotiations, DOE provided analytical support, including detailed analyses and presentations. These materials are available in the relevant rulemaking docket (*www.regulations.gov/#!docketBrowser;rpp=25;po=0;D=EERE-2015-BT-STD-0016*). The analyses and presentations, developed with direct input from the Working Group members, included preliminary versions of many of the analyses discussed in this final rule, including a market and technology assessment; screening analysis; engineering analysis; energy use analysis; markups analysis; life cycle cost and payback period analysis; shipments analysis; and national impact analysis.

On December 15, 2015, the Working Group reached consensus on, among other things, a series of energy conservation standards to replace those that were vacated as a result of the litigation. The Working Group assembled its recommendations into a single term sheet (See Docket EERE–2015–BT–STD–0016, No. 52) that was presented to, and approved by the ASRAC on December 18, 2015. DOE considered the approved term sheet, along with other comments received during the negotiated rulemaking process, in developing energy conservation standards in this document. DOE published a notice of proposed rulemaking on September 13, 2016. (September 2016 NOPR) 81 FR 62979. A public meeting to discuss DOE's proposal was held on September 29, 2016.

III. General Discussion

DOE developed this rule after considering oral and written comments, data, and information from interested parties that represent a variety of interests. DOE received comments from a number of different entities. A list of these entities is included in Table III–1. The following discussion addresses issues raised by these commenters.

TABLE III–1—INTERESTED PARTIES WHO COMMENTED ON THE WICF NOPR

Name	Acronym	Type	Comment No. (docket reference)
Air-Conditioning, Heating, and Refrigeration Institute	AHRI	Trade Association	90
Appliance Standards Awareness Project	ASAP	Energy Efficiency Advocates	*79
Appliance Standards Awareness Project, Natural Resources Defense Council, and Northwest Energy Efficiency Alliance.	ASAP, NRDC and NEEA (ASAP et al.).	Energy Efficiency Advocates	84
California Investor Owned Utilities	CA IOUs	Utility Association	80
Cato Institute	Cato	Think Tank	87
CoilPod LLC	CoilPod	Component/Material Supplier.	77
Eric Andrews	Andrews	Individual	76
Hussmann Corporation	Hussmann	Manufacturer	83
Environmental Defense Fund, Institute for Policy Integrity at New York University School of Law, Natural Resources Defense Council, and Union of Concerned Scientists.	Joint Advocates	Energy Efficiency Advocates	81
Lennox International Inc. and Heatcraft Refrigeration Products, LLC.	Lennox	Manufacturer	89
Manitowoc Foodservice, Inc	Manitowoc	Manufacturer	82
Rheem Manufacturing Company and Heat Transfer Products Group, LLC.	Rheem	Manufacturer	91
U.S. Chamber of Commerce, American Chemistry Council, American Coke and Coal Chemicals Institute, American Forest & Paper Association, American Fuel & Petrochemical Manufacturers, American Petroleum Institute, Brick Industry Association, Council of Industrial Boiler Owners, National Association of Manufacturers, National Lime Association, National Mining Association, National Oilseed Processors Association, and the Portland Cement Association.	USCC et al	Business Federation	86
Weiss Instruments, Inc	Weiss	Component/Material Supplier.	85

TABLE III–1—INTERESTED PARTIES WHO COMMENTED ON THE WICF NOPR—Continued

Name	Acronym	Type	Comment No. (docket reference)
Zero Zone	Zero Zone	Manufacturer	88

* Comment number 79 indicates the party commented during the public meeting.

A. Equipment Classes and Scope of Coverage

When evaluating and establishing energy conservation standards, DOE divides covered equipment into equipment classes by the type of energy used, capacity, or other performance-related features that would justify different standards. In determining whether a performance-related feature would justify applying a different standard, DOE must consider such factors as the utility of the feature to the consumer and other factors DOE determines are appropriate. (42 U.S.C. 6295(q) and 6316(a))

As previously noted in section II.B, a court order vacated the portions of the June 2014 final rule relating to multiplex condensing refrigeration systems (*i.e.,* unit coolers) operating at medium and low temperatures and dedicated condensing refrigeration systems operating at low temperatures. Therefore, this rulemaking focuses on standards related to these refrigeration system classes. More information relating to the scope of coverage is described in section IV.B.1 of this final rule.

B. Test Procedure

EPCA sets forth generally applicable criteria and procedures for DOE''s adoption and amendment of test procedures. (42 U.S.C. 6293 and 6314) Manufacturers must use the test procedures prescribed under these provisions to certify compliance with the applicable energy conservation standards and to quantify the efficiency of their covered product or equipment.

EPCA, as modified by EISA 2007, required DOE to develop a performance-based test procedure to measure the energy use of walk-in coolers and walk-in freezers. (42 U.S.C. 6213(a)(9)(B)(i)) On April 15, 2011, DOE published test procedures for the principal components that make up a walk-in: The panels, doors, and refrigeration systems. DOE took this component-based testing approach based on a significant body of feedback from interested parties that requiring a single test procedure for an entire walk-in would be impractical because most walk-ins are assembled on-site with components from different manufacturers. 76 FR 21580, 21582 (April 15, 2011).

DOE's current energy conservation standards for WICF refrigeration systems are expressed in terms of AWEF (*see* 10 CFR 431.304(c)(10)). AWEF is an annualized refrigeration efficiency metric that expresses the ratio of the heat load that a system can reject (in Btus) to the energy required to reject that load (in watt-hours). The existing DOE test procedure for determining the AWEF of walk-in refrigeration systems is located at 10 CFR part 431, subpart R. The current DOE test procedure for walk-in refrigeration systems was originally established by an April 15, 2011 final rule, which incorporates by reference the Air-Conditioning, Heating, and Refrigeration Institute (''AHRI'') Standard 1250–2009, *2009 Standard for Performance Rating of Walk-In Coolers and Freezers.* 76 FR 21580, 21605–21612.

On May 13, 2014, DOE updated its test procedures for WICFs in a final rule published in the **Federal Register** (May 2014 test procedure final rule). 79 FR 27388. That rule allowed WICF refrigeration system manufacturers to use an alternative efficiency determination method (''AEDM'') to rate and certify their basic models by using the projected energy efficiency level derived from these simulation models in lieu of testing. It also adopted testing methods to enable an original equipment manufacturer (OEM) to readily test and rate its unit cooler or condensing unit individually rather than as part of matched pairs. Under this approach, a manufacturer who distributes a unit cooler as a separate component must rate that unit cooler as though it were to be connected to a multiplex system. The unit cooler must comply with any applicable unit cooler standard that DOE may establish. Similarly, a manufacturer distributing a condensing unit as a separate component must use fixed values for the suction (inlet) conditions and certain nominal values for unit cooler fan and defrost energy, in lieu of actual unit cooler test data, when calculating AWEF. (10 CFR 431.304(c)(12)(ii))

DOE notes that, although that final rule established the approach for rating individual components of dedicated condensing systems, it still allowed for matched-pair ratings of these systems. This approach addressed the testing of dedicated condensing systems with multiple capacity stages and/or variable-capacity, since the current test procedure of AHRI 1250–2009 does not have a provision for testing individual condensing units with such features. An OEM would have to use matched-pair testing to rate multiple- or variable-capacity systems, but can choose matched-pair or individual-component rating for single-capacity dedicated condensing systems.

The May 2014 test procedure final rule also introduced several clarifications and additions to the AHRI test procedure for WICF refrigeration systems. These changes can be found in 10 CFR 431.304.

The Working Group, in addition to making recommendations regarding standards, also recommended that DOE consider making certain amendments to the test procedure to support the recommended replacement refrigeration system standards. See Term Sheet at EERE–2015–BT–STD–0016, No. 56, recommendation #6 and #7. Consistent with these test procedure-related recommendations, DOE published a test procedure notice of proposed rulemaking on August 17, 2016 (''August 2016 TP NOPR''). 81 FR 54926. A public meeting was held on September 12, 2016. DOE published a test procedure final rule on December 28, 2016. 81 FR 95758. All documents and information pertaining to the test procedure rulemaking can be found in docket EERE–2016–BT–TP–0030. The standard levels discussed in this document were evaluated using that revised test procedure.

C. Technological Feasibility

1. General

In each energy conservation standards rulemaking, DOE conducts a screening analysis based on information gathered on all current technology options and prototype designs that could improve the efficiency of the products or equipment that are the subject of the rulemaking. As the first step in such an analysis, DOE develops a list of technology options for consideration in consultation with manufacturers, design engineers, and other interested parties.

DOE then determines which of those means for improving efficiency are technologically feasible. DOE considers technologies incorporated in commercially available products or in working prototypes to be technologically feasible. 10 CFR part 430, subpart C, appendix A, section 4(a)(4)(i)

After DOE has determined that particular technology options are technologically feasible, it further evaluates each technology option in light of the following additional screening criteria: (1) Practicability to manufacture, install, and service; (2) adverse impacts on product utility or availability; and (3) adverse impacts on health or safety. 10 CFR part 430, subpart C, appendix A, section 4(a)(4)(ii)–(iv) Additionally, it is DOE policy not to include in its analysis any proprietary technology that is a unique pathway to achieving a certain efficiency level. Section IV.C of this document discusses the results of the screening analysis for WICF refrigeration systems, particularly the designs DOE considered, those it screened out, and those forming the basis of the standards considered in this rulemaking. For further details on the screening analysis for this rulemaking, see chapter 4 of the final rule technical support document (''TSD'').

2. Maximum Technologically Feasible Levels

When DOE adopts a standard for a type or class of covered product, it must determine the maximum improvement in energy efficiency or maximum reduction in energy use that is technologically feasible for such product. (42 U.S.C. 6295(p)(1) and 6316(a)) Accordingly, in the engineering analysis, DOE determined the maximum technologically feasible (''max-tech'') improvements in energy efficiency for WICF refrigeration systems using the design parameters for the most efficient products available on the market or in working prototypes. The max-tech levels that DOE determined for this rulemaking are described in section IV.D.10 of this final rule and in chapter 5 of the final rule TSD.

D. Energy Savings

1. Determination of Savings

For each trial standard level (''TSL''), DOE projected energy savings from application of the TSL to covered WICF refrigeration systems purchased in the 30-year period that begins in the year of compliance with the standards (2020–2049).[17] The savings are measured over the entire lifetime of considered WICF refrigeration systems purchased in the 30-year analysis period. DOE quantified the energy savings attributable to each TSL as the difference in energy consumption between each standards case and the no-new-standards case. The no-new-standards case represents a projection of energy consumption that reflects how the market for the equipment at issue would likely evolve in the absence of energy conservation standards.

DOE used its national impact analysis (''NIA'') spreadsheet models to estimate national energy savings (''NES'') from potential standards for considered WICF refrigeration systems at issue. The NIA spreadsheet model (described in section IV.H of this document) calculates energy savings in terms of site energy, which is the energy directly consumed by equipment at the locations where they are used. For electricity, DOE reports national energy savings in terms of primary energy savings, which is the savings in the energy that is used to generate and transmit the site electricity. For natural gas, the primary energy savings are considered to be equal to the site energy savings. DOE also calculates NES in terms of full-fuel-cycle (''FFC'') energy savings. The FFC metric includes the energy consumed in extracting, processing, and transporting primary fuels (*i.e.,* coal, natural gas, petroleum fuels), and thus presents a more complete picture of the impacts of energy conservation standards.[18] DOE's approach is based on the calculation of an FFC multiplier for each of the energy types used by covered products or equipment. For more information on FFC energy savings, see section IV.I.2 of this document.

2. Significance of Savings

To adopt any new or amended standards for a covered equipment, DOE must determine that such action would result in significant energy savings. (42 U.S.C. 6295(o)(3)(B) and 6316(a)) Although the term ''significant'' is not defined in the Act, the U.S. Court of Appeals for the District of Columbia Circuit in *Natural Resources Defense Council* v. *Herrington,* 768 F.2d 1355, 1373 (D.C. Cir. 1985), indicated that Congress intended ''significant'' energy savings in the context of EPCA to be savings that are not ''genuinely trivial.'' The energy savings for all the TSLs considered in this rulemaking, including the adopted standards, are nontrivial, and, therefore, DOE considers them ''significant'' within the meaning of section 325 of EPCA (*i.e.,* 42 U.S.C. 6295).

E. Economic Justification

1. Specific Criteria

As noted above, EPCA provides seven factors to be evaluated in determining whether a potential energy conservation standard is economically justified. (42 U.S.C. 6295(o)(2)(B)(i)(I)(VII) and 6316(a)) The following sections discuss how DOE has addressed each of those seven factors in this rulemaking.

a. Economic Impact on Manufacturers and Consumers

In determining the impacts of potential amended standards on manufacturers, DOE conducts a manufacturer impact analysis (''MIA''), as discussed in section IV.J. DOE first uses an annual cash-flow approach to determine the quantitative impacts. This step includes both a short-term assessment—based on the cost and capital requirements during the period between when a regulation is issued and when entities must comply with the regulation—and a long-term assessment over a 30-year period. The industry-wide impacts analyzed include (1) industry net present value (''INPV''), which values the industry on the basis of expected future cash flows; (2) cash flows by year; (3) changes in revenue and income; and (4) other measures of impact, as appropriate. Second, DOE analyzes and reports the impacts on different types of manufacturers, including impacts on small manufacturers. Third, DOE considers the impact of standards on domestic manufacturer employment and manufacturing capacity, as well as the potential for standards to result in plant closures and loss of capital investment. Finally, DOE takes into account cumulative impacts of various DOE regulations and other regulatory requirements on manufacturers.

For individual consumers, measures of economic impact include the changes in LCC and the PBP associated with new or amended standards. These measures are discussed further in the following section. For consumers in the aggregate, DOE also calculates the national net present value of the economic impacts applicable to a particular rulemaking. DOE also evaluates the LCC impacts of potential standards on identifiable subgroups of consumers that may be

[17] DOE also presents a sensitivity analysis that considers impacts for products shipped in a 9-year period.

[18] The FFC metric is discussed in DOE's statement of policy and notice of policy amendment. 76 FR 51282 (August. 18, 2011), as amended at 77 FR 49701 (August. 17, 2012).

affected disproportionately by a national standard.

b. Savings in Operating Costs Compared to Increase in Price (LCC and PBP)

EPCA requires DOE to consider the savings in operating costs throughout the estimated average life of the covered product in the type (or class) compared to any increase in the price of, or in the initial charges for, or maintenance expenses of, the covered product that are likely to result from a standard. (42 U.S.C. 6295(o)(2)(B)(i)(II) and 6316(a)) DOE conducts this comparison in its LCC and PBP analysis.

The LCC is the sum of the purchase price of a product (including its installation) and the operating cost (including energy, maintenance, and repair expenditures) discounted over the lifetime of the product. The LCC analysis requires a variety of inputs, such as product prices, product energy consumption, energy prices, maintenance and repair costs, product lifetime, and discount rates appropriate for consumers. To account for uncertainty and variability in specific inputs, such as product lifetime and discount rate, DOE uses a distribution of values, with probabilities attached to each value.

The PBP is the estimated amount of time (in years) it takes consumers to recover the increased purchase cost (including installation) of a more-efficient product through lower operating costs. DOE calculates the PBP by dividing the change in purchase cost due to a more-stringent standard by the change in annual operating cost for the year that standards are assumed to take effect.

For its LCC and PBP analysis, DOE assumes that consumers will purchase the covered products in the first year of compliance with new or amended standards. The LCC savings for the considered efficiency levels are calculated relative to the case that reflects projected market trends in the absence of new or amended standards. DOE's LCC and PBP analysis is discussed in further detail in section IV.F.

c. Energy Savings

Although significant conservation of energy is a separate statutory requirement for adopting an energy conservation standard, EPCA requires DOE, in determining the economic justification of a standard, to consider the total projected energy savings that are expected to result directly from the standard. (42 U.S.C. 6295(o)(2)(B)(i)(III) and 6316(a)) As discussed in section IV.H, DOE uses the NIA spreadsheet models to project national energy savings.

d. Lessening of Utility or Performance of Products

In establishing equipment classes, and in evaluating design options and the impact of potential standard levels, DOE evaluates potential standards that would not lessen the utility or performance of the considered equipment. (42 U.S.C. 6295(o)(2)(B)(i)(IV) and 6316(a)) Based on data available to DOE, the standards adopted in this document would not reduce the utility or performance of the equipment under consideration in this rulemaking.

e. Impact of Any Lessening of Competition

EPCA directs DOE to consider the impact of any lessening of competition, as determined in writing by the Attorney General, that is likely to result from a standard. (42 U.S.C. 6295(o)(2)(B)(i)(V) and 6316(a)) It also directs the Attorney General to determine the impact, if any, of any lessening of competition likely to result from a standard and to transmit such determination to the Secretary within 60 days of the publication of a proposed rule, together with an analysis of the nature and extent of the impact. (42 U.S.C. 6295(o)(2)(B)(ii) and 6316(a)) To assist the Department of Justice (''DOJ'') in making such a determination, DOE transmitted copies of its proposed rule and the NOPR TSD to the Attorney General for review, with a request that the DOJ provide its determination on this issue. In its assessment letter responding to DOE, DOJ concluded that the proposed energy conservation standards for WICF refrigeration systems are unlikely to have a significant adverse impact on competition. DOE is publishing the Attorney General's assessment at the end of this final rule.

f. Need for National Energy Conservation

DOE also considers the need for national energy and water conservation (as applicable) in determining whether a new or amended standard is economically justified. (42 U.S.C. 6295(o)(2)(B)(i)(VI) and 6316(a)) The energy savings from the adopted standards are likely to provide improvements to the security and reliability of the Nation's energy system. Reductions in the demand for electricity also may result in reduced costs for maintaining the reliability of the Nation's electricity system. DOE conducts a utility impact analysis to estimate how standards may affect the Nation's needed power generation capacity, as discussed in section IV.M.

DOE maintains that environmental and public health benefits associated with the more efficient use of energy are important to take into account when considering the need for national energy conservation. The adopted standards are likely to result in environmental benefits in the form of reduced emissions of air pollutants and GHGs associated with energy production and use. DOE conducts an emissions analysis to estimate how potential standards may affect these emissions, as discussed in section IV.K; the estimated emissions impacts are reported in section V.B.6 of this document. DOE also estimates the economic value of emissions reductions resulting from the considered TSLs, as discussed in section IV.L.

g. Other Factors

In determining whether an energy conservation standard is economically justified, DOE may consider any other factors that the Secretary deems to be relevant. (42 U.S.C. 6295(o)(2)(B)(i)(VII) and 6316(a)) To the extent DOE identifies any relevant information regarding economic justification that does not fit into the other categories described above, DOE could consider such information under ''other factors.''

2. Rebuttable Presumption

As set forth in 42 U.S.C. 6295(o)(2)(B)(iii)) (and as applied to WICFs through 42 U.S.C. 6316(a)), EPCA creates a rebuttable presumption that an energy conservation standard is economically justified if the additional cost to the consumer of a product that meets the standard is less than three times the value of the first year's energy savings resulting from the standard, as calculated under the applicable DOE test procedure. DOE's LCC and PBP analyses generate values used to calculate the effect potential energy conservation standards would have on the payback period for consumers. These analyses include, but are not limited to, the 3-year payback period contemplated under the rebuttable-presumption test. In addition, DOE routinely conducts an economic analysis that considers the full range of impacts to consumers, manufacturers, the Nation, and the environment, as required under 42 U.S.C. 6295(o)(2)(B)(i), which is applied to WICFs through 42 U.S.C. 6316(a). The results of this analysis serve as the basis for DOE's evaluation of the economic justification for a potential standard level (thereby supporting or rebutting the results of any preliminary

determination of economic justification). The rebuttable presumption payback calculation is discussed in section IV.F of this final rule.

F. Compliance Date of Standards

Under EPCA, performance-based standards for WICFs, including the initial establishment of those standards, have a statutorily prescribed lead time starting on the applicable final rule's publication date and ending three (3) years later. Starting on that later date, WICF manufacturers must comply with the relevant energy conservation standards. See 42 U.S.C. 6313(f)(4)–(5). DOE may extend the lead time to as long as five (5) years if the Secretary determines, by rule, that the default 3-year period is inadequate. (See id.)

As discussed in section III.B, DOE developed test procedures for the principal components that make up walk-ins: The panels, doors, and refrigeration systems. DOE developed test procedures for walk-in refrigeration systems that express their efficiency in terms of AWEF. 76 FR 21580 (April 15, 2011). The June 2014 final rule established DOE's energy conservation standards for walk-in refrigeration systems based on AWEF—these standards, established for low-temperature and medium-temperature dedicated condensing refrigeration systems and for low-temperature and medium-temperature unit coolers (then called multiplex condensing systems), had a compliance date of June 5, 2017. 79 FR at 32124 (June 3, 2014). As discussed in section II.B, the standards for several of these categories of refrigeration systems were vacated. However, the standards for medium-temperature dedicated condensing systems remain in place, and their compliance date remains as June 5, 2017.

In the September 2016 NOPR, DOE projected that that this final rule would publish in the second half of 2016, and that it would hence establish a compliance date in the second half of 2019 for the new refrigeration system standards that DOE is adopting—DOE did not anticipate extending the standards lead time beyond three years. 81 FR at 62992 (Sept. 13, 2016).

DOE updated its enforcement policy for walk-in refrigeration systems on February 1, 2016, indicating that it would not exercise its enforcement authority in regard to energy conservation standards associated with medium-temperature dedicated condensing refrigeration systems for any such equipment manufactured prior to January 1, 2020.[19]

Manitowoc, Hussmann, Lennox, Rheem, and AHRI requested that manufacturers not be required to submit certification reports for WICF equipment covered in this rule and medium-temperature dedicated condensing classes until the projected January 2020 enforcement date. They argued that requiring manufacturers to certify refrigeration systems covered by the June 2014 final Rule on June 5, 2017, despite the fact that enforcement would not occur until 2020, would confuse customers and place unneeded burden on manufacturers. Zero Zone also argued that requiring certification before enforcement begins will cause confusion for manufacturers and customers and will not allow the Department to verify the certification data. (Manitowoc, No. 82 at p. 1; Hussmann, No. 83 at p. 1; Lennox, No. 89 at p. 6; Rheem, No. 91 at pp. 1–2; AHRI, No. 90 at pp. 1–2; Zero Zone, No. 88 at p. 1)

As discussed in the test procedure final rule, DOE has not changed the date for certifying the compliance of equipment covered by the June 2014 standards that have not been vacated, *i.e.,* those applicable to doors and medium-temperature dedicated condensing refrigeration systems. 81 FR at 95759–95760 (December 28, 2016). The compliance date for the WICF equipment covered in this rule, *i.e.,* classes of low-temperature dedicated condensing refrigeration systems and all classes of unit coolers, is three years from today's date.

Weiss asked for clarification regarding how DOE's proposal would address the installation of walk-ins by local contractors who buy components from wholesalers and assemble the walk-in on-site. (Weiss, No. 85 at p. 1).

Lennox commented there is ambiguity whether refrigeration system components assembled into a complete walk-in must be compliant on the date of manufacture of the refrigeration component or when the final WICF is actually assembled. Lennox noted that component manufacturers would need to leave time to sell components in inventory in advance of a compliance deadline, but WICF installers would also need to leave time both to purchase WICF components and install such components in advance of the compliance deadline. Lennox stated that additional burden is placed on WICF component manufacturers to compress timelines by several months or more if assemblers of complete walk-ins are required to use WICF components that are compliant at the time of assembly. (Lennox No. 89 at pp. 7–8) AHRI and Rheem also commented that additional burden is placed on component manufacturers as a result of a shortened compliance period if the requirement remains for installers to use components that are compliant at the time of the complete walk-in assembly. (AHRI No. 90 at p. 3; Rheem No. 91 at p. 3)

Lennox, AHRI and Rheem requested that DOE allow an unlimited sell through period for components manufactured prior to the compliance date of the amended standard. AHRI stated that most products subject to energy conservation standards have unlimited sell through periods for products manufactured before the effective date of an amended standard. *Id.*

As discussed in the test procedure final rule, a manufacturer of a walk-in cooler or walk-in freezer is any person who: (1) Manufactures a component of a walk-in cooler or walk-in freezer that affects energy consumption, including, but not limited to, refrigeration, doors, lights, windows, or walls; or (2) manufactures or assembles the complete walk-in cooler or walk-in freezer. 10 CFR 431.302.

A manufacturer of a walk-in component (*i.e.,* part 1 of the definition of a manufacturer of a walk-in cooler or walk-in freezer) is the entity that manufactures, produces, assembles or imports a walk-in panel, door or refrigeration system. The component manufacturer is responsible for ensuring the compliance of the component(s) it manufactures. DOE also requires that the component manufacturer certify the compliance of the components it manufactures, prior to distribution in commerce. 81 FR at 95778 (December 28, 2016). A walk-in component manufacturer must comply with the applicable energy conservation standards based on the date the component is produced. For example, beginning on June 5, 2017 walk-in door manufacturers must produce doors that comply with the applicable energy consumption standard. Imported components must comply with the applicable energy conservation standards based on the date of importation.

A manufacturer of a complete walk-in (*i.e.,* part 2 of the definition of a manufacturer of a walk-in cooler or walk-in freezer) is the entity that manufactures, produces, assembles or imports a walk-in cooler or freezer (*i.e.,* an enclosed storage space meeting the

[19] *http://energy.gov/sites/prod/files/2016/02/f29/Enforcement%20Policy%20Statement%20-%20WICF%2002-01-16.pdf.*

definition of a walk-in cooler or freezer). This includes ''installers'' of complete walk-ins. DOE explained that while it does not require manufacturers of complete walk-ins to submit certification reports for the complete walk-in itself, a manufacturer of a complete walk-in must ensure that each walk-in it manufactures meets the various statutory and regulatory standards. That is, a manufacturer of a complete walk-in is required to use components that comply with the applicable standards and to ensure the final product fulfills the statutory design requirements. See the test procedure final rule for additional discussion on how a manufacturer of a complete walk-in demonstrates compliance. 81 FR at 95781 (December 28, 2016).

DOE explained several ways a manufacturer of a complete walk-in could assemble a compliant walk-in. The manufacturer of a complete walk-in could make one or more of the components (*e.g.*, a walk-in door), test it, and certify it as the component manufacturer. In this instance the manufacturer of the complete walk-in is also the component manufacturer, and the component must meet the relevant energy conservation standard based on the date the component is produced.

Alternatively, the manufacturer of the complete walk-in could use an uncertified component and accept responsibility for its compliance. In this scenario, the date of installation is the date of manufacture. For example, if walk-in is assembled with a door designed for non-walk-in applications, then the door becomes a walk-in component on the walk-in assembly date, and must meet the relevant energy conservation standard based on the date of assembly.

Lastly, the manufacturer of the complete walk-in could use a certified component with a label that meets DOE's requirements, as it is not the manufacturer of the component, and bear no responsibility for the testing and certification of the component. In this case, the component must meet the relevant energy conservation standard based on the date the certified component was manufactured. As long as a manufacturer of a complete walk-in (*e.g.,* installers) uses compliant, certified components that are labeled in accordance with DOE's requirements, then it can assemble a complete walk-in using those components after the effective date of new or amended standards. For example, an installer may use walk-in doors manufactured prior to June 5, 2017 to assemble a walk-in after the compliance date as long as the door was certified as compliant with the standards in effect on the date the door was produced.

IV. Methodology and Discussion of Related Comments

This section addresses the analyses DOE has performed for this rulemaking with regard to the considered WICF refrigeration systems. Separate subsections address each component of DOE's analyses.

DOE used several analytical tools to estimate the impact of the standards considered in this document. The first tool is a spreadsheet that calculates the LCC savings and PBP of potential amended or new energy conservation standards. The national impacts analysis uses a second spreadsheet set that provides shipments projections and calculates national energy savings and net present value of total consumer costs and savings expected to result from potential energy conservation standards. DOE uses the third spreadsheet tool, the Government Regulatory Impact Model (''GRIM''), to assess manufacturer impacts of potential standards. These three spreadsheet tools are available on the DOE website for this rulemaking at *www1.eere.energy.gov/buildings/appliance_standards/rulemaking.aspx/ruleid/30*. Additionally, DOE used output from the latest version of the *Annual Energy Outlook* 2016 (''*AEO2106*'') from the Energy Information Administration (''EIA'') for the emissions and utility impact analyses.

A. General Rulemaking Issues

During the September 29, 2016 NOPR public meeting, and in subsequent written comments, stakeholders provided input regarding general issues pertinent to the rulemaking, including the trial standard levels, the rulemaking timeline, and other subjects. These issues are discussed in this section.

1. Proposed Standard Levels

DOE proposed to adopt TSL 3 as the energy conservation standard for the equipment under consideration in this rulemaking. DOE's NOPR analysis showed that this level is both technologically feasible and economically justified. 81 FR at 63021 (September 13, 2016). TSL 3 represents the maximum technologically feasible level and corresponds to the energy conservation standard level that the Working Group unanimously recommended that DOE adopt. (Docket No. EERE–2015–BT–STD–0016, Term Sheet: Recommendation #5 (December 15, 2015), No. 56 at pp. 2–3).

The CA IOUs and ASAP et al. supported the proposed standard levels DOE presented in the NOPR. (CA IOUs, No. 80, at pp. 1–2; ASAP et al., No. 84, at p. 1)

Lennox supported the provisions laid out in the ASRAC Term Sheet, including the recommended standards levels contained therein, which were the result of a negotiated rulemaking. It also commented on the NOPR's consumer impact results, noting that while most equipment classes have positive or minimal negative consumer impacts, for certain equipment classes, the consumer impact is negative for a ''large percentage of consumers.'' (Lennox, No. 89 at p. 7) For example, Lennox noted that 42 percent of consumers had a net cost impact for low temperature unit coolers (UC.L) attached to low temperature multiplex condensing systems (MC.L). Lennox clarified that it does not generally support energy conservation standards that result in such a large portion of consumers experiencing a net cost impact. (Lennox, No. 89 at pp. 6–7)

In general, DOE seeks to avoid adopting standards resulting in large numbers of consumers experiencing net costs. DOE notes that Lennox supports the proposed standard levels, with which WICF Working Group negotiators (including Lennox) had agreed, as documented in the ASRAC Working Group Term Sheet. For the reasons discussed later in this document, DOE is adopting the same standard levels that it proposed as the energy conservation standard for the equipment under consideration in this final rule. See section VI for further discussion on the TSLs, economic justification and energy savings.

Eric Andrews agreed that the economic analysis supported the regulation on the basis of the purchase of new equipment, but expressed concern regarding the up-front cost that the consumer would incur to update existing equipment to the standard level. He commented that ''a credit'' should be made available to defray such costs. He observed further that the market for used equipment was not addressed in the analysis. (Andrews, No. 76 at p. 1) The comment seems to be made based on the assumption that all installed equipment must be upgraded to the standard level. In response, DOE notes that the adopted standard levels will apply only to new equipment manufactured after the compliance date of the standard. See section III.F for additional discussion regarding the compliance date.

2. Test Procedure

a. Process Cooling

Background

EPCA defines a walk-in as ''an enclosed storage space,'' that can be walked into, which has a total area of less than 3,000 square feet, but does not include products designed and marketed exclusively for medical, scientific, or research purposes. (42 U.S.C. 6311(20)) The use of the term ''storage space'' in the definition raises questions about which refrigerated spaces would qualify as a ''storage space'' and thereby comprise equipment subject to the walk-in standards. DOE has discussed the scope of this definition throughout its rulemakings to develop test procedures and energy conservation standards for walk-ins—most recently, the August 2016 TP NOPR addressed whether the scope extends to process cooling equipment such as blast chillers and blast freezers that can be walked into. 81 FR at 54934–54936 (August 17, 2016).

In the August 2016 TP NOPR, DOE described the background leading to the proposal of a definition for walk-in process cooling refrigeration equipment. 81 FR at 54934 (August 17, 2016). As described in that document, interested parties requested that DOE clarify the applicability of standards to this equipment as part of the initial standards rulemaking that DOE conducted for developing walk-in performance-based standards. The discussions in that prior rulemaking led DOE to conclude in the June 2014 final rule that equipment used solely for process cooling would not be required to meet the walk-in standards, but that products used for ''both process and storage'' applications could not categorically be excluded from coverage. 79 FR at 32068 (June 3, 2014). The August 2016 TP NOPR noted also the October 2014 meeting to clarify aspects of the test procedure, during which DOE again stated that blast chillers and blast freezers did not fall within the scope of the energy conservation standards established for walk-ins in the June 2014 final rule. However, DOE acknowledged at the time that it did not have a definition for ''process cooling'' in the context of walk-ins. (Docket No. EERE–2011–BT–TP–0024, Heatcraft and DOE, Public Meeting Transcript (October 22, 2014), No. 117 at pp. 23, 61–63) The question of process cooling arose again during the Walk-in Working Group meetings, during which meeting participants asked DOE to add definitions to clarify the meaning of process cooling (See Docket No. EERE–2015–BT–STD–0016: Manufacturer-submitted material, No. 6 at p. 2; Lennox, Public Meeting Transcript (August 27, 2015), No. 15 at pp. 96–97; AHRI, Public Meeting Transcript (December 15, 2015), No. 60 at pp. 141–142; and Term Sheet, No. 56, Recommendation #7)

The August 2016 TP NOPR explained that DOE considered process cooling more carefully in light of the Working Group's request to develop clarifying definitions and concluded that its initial statements in the June 2014 final rule that blast chillers and blast freezers are not walk-ins were in error. DOE observed that, although the EPCA definition refers to a walk-in as an ''enclosed storage space'', there is no clarity regarding the meaning of ''storage'' or the minimum duration for an item to remain in an enclosure to be considered in ''storage''. Hence, DOE now believes that these categories of equipment, referred to as ''process cooling equipment'' do fall under the EPCA definition for walk-ins and are subject to standards. 81 FR at 54934 (August 17, 2016).

The August 2016 TP NOPR went on to discuss DOE's proposal for defining a walk-in process cooling refrigeration system. DOE specifically developed this proposal, acknowledging the different energy use characteristics of process cooling refrigeration systems as well as their different equipment attributes (as compared to other walk-in refrigeration systems), to exclude such equipment from being subject to walk-in refrigeration system performance standards. (Because DOE now regards process cooling systems as ''walk-in coolers or freezers,'' they will be subject to the statutory design requirements.) DOE proposed defining a ''walk-in process cooling refrigeration system'' as ''a refrigeration system that is used exclusively for cooling food or other substances from one temperature to another.'' 81 FR at 54936 (August 17, 2016). The proposed definition specified that a process cooling refrigeration system must either be (1) distributed in commerce with an enclosure consisting of panels and door(s) such that the assembled product has a refrigerating capacity of at least 100 Btu/h per cubic foot of enclosed internal volume or (2) a unit cooler having an evaporator coil that is at least four-and-one-half (4.5) feet in height and whose height is at least one-and-one-half (1.5) times the width. This proposed definition would cover process cooling systems that are distributed in commerce as part of a complete assembly, process cooling unit coolers that are distributed separately from the enclosure, and refrigeration systems that include unit coolers meeting the process cooling definition. 81 FR at 54954 (August 17, 2016).

DOE noted in the August 2016 TP NOPR that it proposed to consider process cooling refrigerated insulated enclosures to be walk-ins that are subject to the prescriptive statutory requirements for walk-ins. DOE also notes that its discussion and proposals focused on process cooling refrigeration systems rather than the panels and doors that make up the insulated enclosure. Hence, DOE intended the exclusions associated with the proposals to apply only to refrigeration systems that meet the process cooling definition, and that the exclusions would be associated with walk-in refrigeration system performance standards. Id. at 54934–54936. DOE also provided a table in the test procedure NOPR public meeting presentation to clarify its interpretation of the applicability of walk-in standards to different components of process cooling equipment. (Docket No. EERE–2016–BT–TP–0030, Public Meeting Presentation, No. 3 at p. 30) This table indicated that the proposed exclusion for process cooling refrigeration systems would apply to, among other things, dedicated condensing units that are exclusively distributed in commerce with unit coolers meeting the unit cooler portion of the process cooling definition. DOE noted in the test procedure final rule that this exclusion was not explicit in the proposed definition and was clarifying it to explicitly include such dedicated condensing units in the definition. 81 FR at 95768 (December 28, 2016).

Importance of Coverage for Process Cooling Equipment

DOE explained in the August 2016 TP NOPR the reasons it believed that walk-in process cooling equipment should be considered to be covered under the walk-in definition. See 81 FR at 54934–54936 (August 17, 2016). In the test procedure final rule, DOE ultimately concluded that this equipment should be covered as walk-in equipment. 81 FR at 95771 (December, 28, 2016). In DOE's view, covering this equipment as a class of walk-ins is important in furthering DOE's goals for reducing and limiting energy use because this equipment represents a growing sector of the refrigeration industry. Process cooling equipment emerged on the market relatively recently in 1990 to serve a range of food sales and service applications. (Master-Bilt Blast Chillers, No. 25 at pp. 2, 3, 10) The global blast chiller market is expected to grow by an

estimated 4.62% per year from 2016–2020 and North America is expected to remain a dominant portion of this market.[20] This growth is the expected result of increased demand in the food service industry (*e.g.,* restaurants, bakeries, catering) and meat processing industry and growth in the frozen food market.[21] Hence, DOE believes that there will be a robust market for process cooling equipment to serve this growing market need, and that there is a large potential growth in energy use associated with this market.

Process Cooling Equipment Status as Walk-In Equipment

Many commenters argued in response to the August 2016 TP NOPR that process cooling equipment does not fall under the walk-in definition. Several of these comments argued that food is not ''stored'' in this equipment and/or the temperature within it is not ''held'' at a given temperature for storage purposes. AHRI, Manitowoc, KeepRite, Rheem, and Hussmann stated that process refrigeration systems are not used for storage and therefore do not satisfy the statutory definition for a walk-in as an ''enclosed storage space.'' (Docket No. EERE–2016–BT–TP–0030; AHRI, No. 11 at p. 5; Manitowoc, No. 10 at p. 3; KeepRite, No. 17 at p. 2; Rheem, No. 18 at p. 3; Hussmann, No. 20 at p. 4) Similarly, Zero Zone argued that the purpose of process refrigeration systems conflicts with the dictionary definition of ''storage.'' (Docket No. EERE–2016–BT–TP–0030, Zero Zone, No. 15 at p. 1) American Panel also explained that product could be dehydrated and damaged if left in the process cooling equipment for an extended period of time. In its view, this fact should disqualify process cooling equipment from being considered as storage space—one of the key elements of the walk-in definition. (Docket No. EERE–2016–BT–TP–0030, American Panel, No. 7 at p. 1) AHRI added that the Term Sheet included the recommendation that DOE define process cooling for the purpose of clarifying that process cooling equipment are not included in the scope of WICFs. (Docket No. EERE–2016–BT–TP–0030, AHRI, No. 11 at p. 5)

Commenters reiterated many of these statements in response to the September 2016 NOPR. Hussmann, Zero Zone, Manitowoc, Rheem, and AHRI argued that process cooling refrigeration systems do not fit the EPCA definition of a WICF ''enclosed storage space.'' (42 U.S.C. 6311 (20)). Manitowoc, Rheem, and AHRI also stated that the inclusion of these equipment was not discussed in the ASRAC negotiations and requested that process cooling refrigeration systems be removed from the scope of the WICF test procedure and be specifically excluded from the WICF energy conservation standard and the EPCA prescriptive requirements. (Hussmann, No. 83 at p. 2; Zero Zone, No. 88 at p. 1; Manitowoc, No. 82 at pp. 1–2; Rheem, No. 91 at p. 2; AHRI, No. 90 at p. 2)

Conversely, the CA IOUs supported classifying process cooling equipment as WICF equipment, which would require the refrigeration systems, panels, and doors of process cooling equipment to meet the prescriptive standards set by EISA 2007. Further, they supported applying the June 2014 final rule WICF standards and the proposed standards to process cooling panels, doors, and dedicated condensing units not sold as part of a ''matched pair'' with a unit cooler. (CA IOUs, No. 80 at p. 2) (The R-value requirements for panels and doors are carry-overs from EISA 2007.)

EPCA defines ''walk-in cooler'' and ''walk-in freezer'' as an enclosed storage space refrigerated to temperatures, respectively, above, and at or below 32 degrees Fahrenheit that can be walked into, and has a total chilled storage area of less than 3,000 square feet. (42 U.S.C. 6311(20)(A)) While EPCA does not define the component terms ''storage'' or ''can be walked into'' used in the walk-in definition, it does expressly exclude certain equipment from the definition (*i.e.* equipment designed and marketed exclusively for medical, scientific, or research purposes). (42 U.S.C. 6311(20)(B))

Commenters appear to be arguing that a unit must hold contents for some minimum time-period to meet the ''storage'' element of the definition but offered no suggested time period for DOE to consider in applying this definition. The statutory definition of ''walk-in cooler and walk-in freezer'' does not indicate a specific timing requirement or provide further information about when the use of a space constitutes storage. Further, although dictionary definitions of ''storage'' indicate that the contents be kept for some period of time, no specific period is provided.[22] As noted in the August 2016 TP NOPR, the Working Group recommended that DOE define ''storage space''—which suggests that the term is ambiguous. 81 FR at 54934 (August 17, 2016). DOE acknowledges that the role of a process cooler or freezer is to chill food rapidly (to approach the temperature of the cooler or freezer, respectively), and one could interpret ''storage space'' to mean a space the primary purpose of which is storage. However, that understanding of ''storage space'' would be incongruous in the context of walk-in coolers and freezers. The purpose of such equipment is not simply storage *per se,* like a warehouse; it is storage at cold temperatures. Storage at cold temperatures necessarily encompasses chilling the items to be stored until they reach the temperature of the storage space, because items are rarely at exactly the storage temperature when they arrive to a walk-in cooler or freezer. A process cooler or freezer chills items more quickly than many walk-ins, but DOE regards that difference as being a difference in degree, not a fundamental difference in kind that makes a process cooler ''chilling'' equipment and not ''storage'' equipment.

DOE notes that Recommendation #7 from WICF Term Sheet (which contains the only mention of process cooling in the Term Sheet) recommended that DOE add ''WICF specific definitions for process cooling, preparation room refrigeration, and storage space.'' (Term Sheet, No. 56 at p. 3) This recommendation does not state that these categories of equipment are excluded from the scope of WICFs. In fact, a comment received in response to the initial 2013 notice of proposed rulemaking for energy conservation standards stated that process cooling equipment would appear to fall within the walk-in definition. (Docket No. EERE–2008–BT–STD–0015, Hussmann, No. 93 at pp. 2, 8–9) In re-examining that comment, along with other information and materials since the publication of the June 2014 final rule, DOE has reconsidered its prior views on process cooling equipment.

As noted in the August 2016 TP NOPR, contents are placed in process

[20] Infinity Research Limited (Technavio), Global Commercial Blast Chillers Market 2016–2020; Published November 2016; Accessed November 2016 at *www.technavio.com/report/global-miscellaneous-global-commercial-blast-chillers-market-2016-2020.*

[21] Hexa Research, Frozen Food Market Analysis By Product (Ready Meals, Meat, Seafood, Fruits & Vegetables, Potatoes, Soup) And Segment Forecasts To 2020; Published November 2014; Accessed November 2016 at *www.hexaresearch.com/research-report/frozen-food-industry/.*

[22] ''Storage: 1. The act of storing; state or fact of being stored. 2. capacity or space for storing. 3. a place, as a room or building, for storing. 4. Computers. memory (def 11). 5. the price charged for storing goods.'' *en.oxforddictionaries.com/definition/storage.* ''Storage: 1a: Space or a place for storing b: An amount stored c: Memory; 2a: The act of storing: The state of being stored; especially: The safekeeping of goods in a depository (as a warehouse) b: The price charged for keeping goods in a storehouse.'' *www.merriam-webster.com/dictionary/storage.*

cooling equipment for at least a brief period of time to reduce their temperature. 81 FR at 54934 (August 17, 2016). When asked during the public meeting how long the products remain in a process cooling system when they are being cooled, American Panel noted that, although the Food and Drug Administration and NSF International have recommended maximum processing times, there is no industry-specified minimum or maximum processing duration for blast chillers or blast freezers. (Docket No. EERE–2016–BT–TP–0030, American Panel, Public Meeting Transcript, No. 23 at p. 48) DOE notes that the 2013 FDA Food Code requires that food starting at 135 °F be cooled to 70 °F within 2 hours and to 41 °F within 6 hours (FDA 2013 Food Code, Chapter 3, Section 501.14(A)), while NSF requires that rapid pulldown refrigerators and freezers be able to reduce food temperature from 135 °F to 40 °F in 4-hours. (NSF/ANSI 7–2009, section 10.5.1) These time periods differ significantly and are substantially longer than the 90-minute pulldown times discussed in the June 2014 final rule. (79 FR at 32068 (June 3, 2014)). This observation underscores American Panel's statement that there is no standard maximum processing time. Also, while DOE recognizes that product may remain in process cooling equipment for a short period of time, this fact alone does not necessarily clarify that the equipment cannot be considered to have a storage function. The period of time a product can be held in a cooler or freezer without sustaining some damage can be expected to vary product by product, depending on a variety of factors including, whether the product is chilled or frozen, its packaging when inserted into the equipment (e.g., what type and size container it is in, whether or not it is covered, etc.), moisture content, size of the individual food pieces, and other factors. Commenters did not provide any indication of how long food products can remain in process cooling equipment after completion of cooldown before they must be removed to avoid damage—hence, making it difficult to draw clear distinctions between residence time in this equipment and lengths of time that would be associated with ''storage.''

Absent a definitive time-period to delineate the use of space as storage space, DOE considered the design and operation of process cooling equipment with other equipment falling within the WICF definition. DOE considers that design and operation are reflective of the function of equipment (*i.e.*, whether it constitutes storage space) because these two elements are necessary components in determining the function or purpose of a given type of equipment.

Manitowoc and AHRI argued in response to the August 2016 TP NOPR that the panels and doors used by process cooling systems are not the same as those used in other WICF systems and therefore the WICF prescriptive requirements should not apply. (Docket No. EERE–2016–BT–TP–0030, Manitowoc, No. 10 at p. 3; AHRI, No. 11 at p. 5) Manitowoc and AHRI did not clarify how the panels and doors are different, and provided no indication that process coolers needed specific utility features that would justify the use of different efficiency levels or be the basis for relief from the performance requirements that are already in place. DOE notes that this discussion of panels and doors did not provide any clarity as to whether process cooling equipment provides any storage function.

In the context of blast chillers, American Panel noted that while the panels and doors for this equipment were similar to those used in other walk-ins, the refrigeration systems used in blast chillers are designed and used very differently from walk-ins—a fact that, in its view, necessitated that these (and similar process cooling equipment) be treated separately from walk-ins. (Docket No. EERE–2016–BT–TP–0030, American Panel, No. 7 at p. 1) American Panel did not clarify how the refrigeration systems are designed differently, in spite of DOE's request for data or information on the qualities, characteristics, or features specific to the refrigeration system that would cause a process refrigeration system to be unable to meet a walk-in refrigeration system standard. See 81 FR at 54950 (August 17, 2016).

American Panel, however, asserted that blast chillers and shock freezers differ from walk-ins in that they have an on/off switch, they do not reach a stable condition until the pulldown cycle ends, either automatically or manually, and they rely on the user to stop and restart the cycle. (Docket No. EERE–2016–BT–TP–0030, American Panel, No. 7 at p. 1) In its view, all of these features differed from the operation of walk-ins, which typically operate continuously and independent of user action, being connected to power at all times. DOE notes that this description of refrigeration equipment operation also applies to other walk-in systems. The walk-in refrigeration system is sized so that its capacity is greater than the walk-in box load. Equation 1, for example, in AHRI 1250–2009, indicates that the box load for a walk-in is 70 percent of the net refrigeration system capacity at the design temperature for conditions outside the box. Hence, a walk-in refrigeration system does not achieve steady state operation—it relies on a thermostat to shut the system off at the desired internal temperature (*e.g.,* 35 °F for a walk-in cooler) as the refrigeration system is pulling down temperature to what would be a lower steady-state temperature. As American Panel indicated, a process cooling system does not reach stable operation until the pulldown cycle has ended and an automatic control may end the cycle to transition the system from the pulldown cycle into stable operation. This ending of the pulldown with an automatic control is the same as a walk-in system's pulldown cycle ending by a thermostat. Hence, in DOE's view, American Panel's observations do not provide a clear distinction between process cooling and other walk-in equipment since the fundamental operational characteristics remain the same.

American Panel also contended that, because a blast chiller's operation changes continuously and the equipment exhibits no stable operating condition, it cannot be tested to a rated AWEF and a test procedure cannot be applied. (Docket No. EERE–2016–BT–TP–0030, American Panel, Public Meeting Transcript, No. 23 at pp. 46–47, 56, 78) American Panel added that, if the test procedure were to be updated to include blast chiller performance testing, the food industry would support using NSF's testing methods for rapid pulldown refrigeration as a starting point. (Docket No. EERE–2016–BT–TP–0030, American Panel, No. 07 at p. 2) DOE notes first that a performance-based test procedure requiring steady state operation is not necessary for process cooling refrigeration systems, because equipment meeting the definition is excluded from the walk-in refrigeration system performance standards,[23] and, hence, a method for measuring AWEF for such equipment is not needed. However, DOE notes also that a blast chiller refrigeration system appears to have no steady operating condition because its capacity is so much larger per insulated box internal volume than for other walk-ins. Once the products have been pulled down to the specified temperature, the walls of the box do not transmit sufficient load to prevent the internal box temperature from dropping further—i.e. the box does

[23] DOE notes that this exclusion does not apply to condensing units distributed in commerce individually, because, as discussed elsewhere in this section, they are indistinguishable from other walk-in refrigeration systems.

not absorb enough heat to prevent its interior from becoming colder. If the same refrigeration system were serving a much larger box, the internal temperature may very well stabilize to a steady-state operating temperature. Conducting a test to determine the system's AWEF would require testing the equipment with a test chamber whose indoor-room conditioning system has enough heating capacity to balance the refrigeration system's cooling capacity. Hence, the difference between a process cooling refrigeration system and other walk-in refrigeration systems is a function of the magnitude of capacity, rather than any fundamental difference in the operation of the equipment. While the magnitude of capacity is relevant to how quickly a unit lowers the temperature of its contents, and may be instructive as to the duration of storage, it does not inform the fundamental consideration of whether a unit provides any storage.

Process cooling equipment such as blast chillers and blast freezers, despite any asserted differences, have several characteristics in common with more conventional walk-ins that make them capable of serving the function of refrigerated product storage. These characteristics include having an insulated enclosure made of insulated panels and a door (or doors) sufficiently large that the enclosure can be walked into, and being cooled with a refrigeration system consisting of a dedicated condensing unit and a refrigerant evaporator that operates using forced convection heat transfer (*i.e.,* enhanced by air movement created by a fan). The panels and doors are fabricated with a sheet metal exterior shell around insulation that serves as a thermal barrier. The panels and/or door may also have a multi-pane window to allow viewing of the interior of the enclosure from the outside. The doors have hinges or another mechanism to allow opening for access to the enclosure interior, with a latching mechanism to ensure positive closure when shut. The refrigeration system can operate to cool the enclosure to refrigerated temperatures. Product can be placed in the refrigerated enclosure. If the product is not already at the temperature of the internal refrigerated space, the product's temperature will drop, approaching the temperature of the interior, due to transfer of heat to the air within the enclosure; otherwise the product temperature remains at the average internal temperature until removed from the enclosure. As discussed above, while some of the details of the design of such systems differ from other walk-ins, these equipment generally resemble all walk-ins and are capable of serving the function of refrigerated product storage.

AHRI, Manitowoc, and Rheem also asserted that process cooling equipment is inconsistent with the term ''walk-in'' because a person cannot walk into a process cooling enclosure during operation. (Docket No. EERE–2016–BT–TP–0030, AHRI, No. 11 at p. 5; Manitowoc, No. 10 at p. 3; Rheem, No. 18 at p. 3) However, DOE notes that the walk-in definition does not specify when the equipment can be walked into—it simply states that the equipment must be one ''that can be walked into.'' (42 U.S.C. 6311(20)(A))

In interpreting the ''walk-in cooler and freezer'' definition, DOE also considered the terms in the context of EPCA's WICF provisions as a whole. EPCA establishes a number of prescriptive requirements for WICFs. (42 U.S.C. 6313(f)(1)) While not dispositive, none of the prescriptive requirements conflicts with including process cooling equipment as a class of walk-in. Additionally, Congress has already spoken to the groups of equipment that are excluded from the walk-in definition by listing specific equipment (*i.e.,* ones designed and marketed exclusively for medical, scientific, or research purposes) that would be walk-ins. (42 U.S.C. 6311(20)(B)) Process cooling equipment is not part of this listing, which suggests that Congress did not contemplate that this equipment would be excluded from being treated as a class of walk-in equipment.

In consideration of these factors, DOE has determined that process cooling equipment falls within the EPCA definition of ''walk-in cooler'' and ''walk-in freezer.'' While products may not be able to be stored in process cooling equipment on a long-term basis, products are still stored in process cooling equipment at least for the duration they are cooled. If Congress had intended to limit the application of the walk-in definition to include only long-term storage, it could have done so when crafting the final language of the statute. Congress, in fact, did not limit what comprises storage space. Moreover, when comparing the design and function of process cooling equipment with other WICFs, DOE was unable to determine a distinction with regard to storage.

AHRI, Manitowoc, KeepRite, Rheem, and Hussmann argued that including process cooling equipment in the definitions of walk-in cooler and walk-in freezer would be inconsistent with DOE's proposed definition for refrigerated storage space, ''as space held at refrigerated temperatures'' since process cooling equipment does not hold a specific temperature but changes the temperature of the contents. (Docket No. EERE–2016–BT–TP–0030, AHRI, No. 11 at p. 5; Manitowoc, No. 10 at p. 3; KeepRite, No. 17 at p. 2; Rheem, No. 18 at p. 3; Hussmann, No. 20 at p. 4) DOE notes that comments submitted by Bally describe process cooling equipment as operating at ''cold temperatures (min. of 5 °F)'' and having ''doors [that] must stay condensate free while the air temperature is at 5 °F.'' (Docket No. EERE–2016–BT–TP–0030, Bally, No. 22 at p. 1) These descriptions suggest control of temperature within the blast chiller is held at the minimum 5 °F—in other words, the interior is held at a temperature near 5 °F. This fact suggests that process cooling equipment can (and do) hold temperatures, contrary to the comments. Nevertheless, DOE notes that the proposed definition for refrigerated storage space as ''space held at refrigerated temperatures'' does not require that the temperature be held at a discrete constant value—instead, it only requires that the space is held at a temperature consistent with ''refrigerated,'' *i.e.,* ''held at a temperature at or below 55 °F''. The spaces within blast chillers and freezers are held below 55 °F and, thus are consistent with the definition of ''refrigerated storage space.''

NAFEM also weighed in on this issue generally, arguing that blast chillers should not be considered within the scope of the walk-in definition because there is no appropriate test procedure for blast chillers. (Docket No. EERE–2016–BT–TP–0030, NAFEM, No. 14 at p. 1) However, EPCA's walk-in definition does not stipulate that its scope extends only to equipment for which there is a test procedure. In fact, EPCA mandated prescriptive standards for walk-ins that took effect (on January 1, 2009, see 42 U.S.C. 6313(f)(1)) before DOE finalized a test procedure on April 15, 2011 for measuring a given unit's energy efficiency. 76 FR 21580. Similarly, in response to American Panel's comment that a process cooling refrigeration system is not a walk-in because it cannot be rated with an AWEF, satisfaction of the separate statutory prescriptive requirements specified in the statute (e.g. use of certain componentry, satisfaction of certain thermal insulation thresholds for doors and panels, and installation of devices to minimize infiltration) have no direct bearing on the AWEF value of a given refrigeration system. Hence, the question of whether a given walk-in

refrigeration system can be rated with this metric has no bearing on whether the equipment is a walk-in.

Manitowoc, Rheem, and AHRI also noted that an ASHRAE Special Project Committee (''SPC'') has been formed to draft a relevant testing standard titled, ''Method of Testing for (Rating) Small Commercial Blast Chillers, Chiller/Freezers, and Freezers.'' They argued that in light of this work, it is premature to define process cooling systems while this new industry standard is still under development. (Docket No. EERE–2016–BT–TP–0030, Manitowoc, No. 10 at p. 3; Rheem, No. 18 at p. 3; AHRI, No. 11 at p. 5) DOE notes that the WICF Working Group, which included Manitowoc and Rheem, requested that DOE develop a definition for process cooling. Before the finalization of the WICF Term Sheet on December 15, 2015, DOE was not aware of any announcement from ASHRAE SPC regarding the start of its work. Nevertheless, the SPC has not finished its work, and the commenters did not provide any indication of what equipment definitions the SPC is considering. Accordingly, DOE has finalized its definition in the manner proposed, based on the industry input provided. DOE may consider revising its ''process cooling'' definition if necessary once the ASHRAE rating method for blast chillers, chiller/freezers, and freezers is complete.

Finally, DOE notes that the CA IOUs supported treating process cooling as a subset category of WICF equipment. Further, they supported requiring process cooling panels, doors, and dedicated condensing units not sold as part of a ''matched-pair with a unit cooler'' to meet the June 2014 final rule WICF standards and the proposed standards under consideration. (Docket No. EERE–2016–BT–TP–0030, CA IOUs, No. 21 at p. 2)

As described in the August 2016 TP NOPR, DOE concluded that while process cooling enclosures that resemble walk-ins are within the scope of walk-ins, it proposed to exclude some of the refrigeration systems of these process cooler walk-ins from the performance-based standards established and in development for WICF refrigeration systems. 81 FR at 54934–54937 (August 17, 2016). For the reasons described earlier, DOE has not revised its proposed approach after review of the comments, and believes that its definition, as adopted in the December 2016 TP final rule, satisfies the recommendations of the Working Group Term Sheet.

Distinguishing Characteristics of Process Cooling Refrigeration Systems

DOE received few comments regarding the distinguishing characteristics proposed for process cooling refrigeration systems. In fact, only one of the commenters mentioned any characteristic of the refrigeration system condensing unit of a process cooling system that might distinguish it from the equipment serving other walk-ins—Bally commented that the condensing units are not unique to blast chillers, except with respect to extra receiver capacity. (Docket No. EERE–2016–BT–TP–0030, Bally, No. 22 at p. 1) However, DOE would not consider a larger receiver to be a sufficient difference to distinguish these condensing units since using a larger receiver would not affect steady state energy use as measured by the test procedure, since the receiver itself does not consume energy and does not contribute significantly to the heat transfer function of the condenser. Furthermore, there is a range of refrigerant receiver capacities used in walk-in refrigeration systems and it is not clear that there is an appropriate receiver capacity threshold that would indicate that a condensing unit is used for process cooling rather than for other walk-in functions—neither Bally nor other commenters suggested such a threshold value. Consequently, DOE would not consider a larger receiver to distinguish process cooling condensing units. Absent any other clear distinguishing feature, DOE must conclude that the condensing units used for process cooling are no different than those used for other walk-ins.

Lennox recommended that the evaporator coil height, width, and depth be defined on a diagram accompanying the proposed definition to prevent a misinterpretation of the dimensions. (Docket No. EERE–2016–BT–TP–0030, Lennox, Public Meeting Transcript, No. 23 at p. 40) Lennox provided a diagram to illustrate this in its written comments (Docket No. EERE–2016–BT–TP–0030, Lennox, No. 13 at p. 8) In reviewing this diagram, DOE agreed that the dimensions shown in the provided diagram are consistent with the proposed definition's intent and agrees that a diagram would be useful to clarify the applicable dimensions. Accordingly, the test procedure final rule incorporates a diagram based on the one submitted by Lennox to clarify the process cooling definition. 81 FR at 95772 (December 28, 2016).

With respect to blast freezers, Bally noted that some of these equipment use horizontally-oriented evaporator units and some non-process cooling refrigeration systems chill their contents using a circular pattern. In its view, because of the absence of any standard orientation or chilling pattern for process cooling and non-process cooling refrigeration systems, these design characteristics are not useful for differentiating process refrigeration systems. (Docket No. EERE–2016–BT–TP–0030, Bally, Public Meeting Transcript, No. 23 at pp. 41–42) DOE notes that a horizontally-oriented evaporator that is not part of a unit cooler as defined would not be subject to the unit cooler standards, nor would it, as a matched pair with a dedicated condensing unit, be subject to the dedicated condensing unit standards. In order to clarify the extension of this exclusion to matched pairs including such evaporators, DOE has modified the process cooling refrigeration system definition to explicitly list dedicated condensing units that are distributed in commerce exclusively with evaporators that are not unit coolers. 81 FR at 95772 (December 28, 2016).

Alternatively, Bally suggested that airflow rate may be a good characteristic for differentiating process refrigeration systems from other walk-in refrigeration systems. (Docket No. EERE–2016–BT–TP–0030, Bally, Public Meeting Transcript, No. 23 at p. 44) American Panel expressed concern with the use of a cooling capacity per enclosed volume rating to differentiate process cooling equipment because the equipment may be used to process different quantities or densities of product at different times—a condition which may prevent a given blast chiller from satisfying a definition based on cooling capacity per enclosed volume. (Docket No. EERE–2016–BT–TP–0030, American Panel, Public Meeting Transcript, No. 23 at pp. 38–39) DOE had considered airflow rate or air velocity to distinguish process cooling evaporators, noting that evaporator fan power, velocity, or air flow of a unit cooler could be atypically high for a number of reasons, including the use of inefficient fans or motors, long air ''throw'' distance, and other factors. (See 81 FR at 54936 (August 17, 2016)) For example, DOE's investigation of evaporator fan horsepower showed that the horsepower for process cooling evaporator fans, although generally higher than for other walk-in evaporators, is not always higher than all such other walk-in evaporators—a potential overlapping fact that lessens the value of using horsepower as a clear distinguishing characteristic. Hence, DOE concluded that there would be too much overlap with other WICF unit

coolers on the basis of these parameters. DOE notes that Bally's submission did not provide sufficient information or data that would support the use of a specific air flow rate on which DOE could rely that would serve as the basis for distinguishing process coolers from other walk-in refrigeration systems. With respect to American Panel's concerns, DOE notes that its comments provided no alternative value of cooling load per volume for DOE to consider that would enable one to readily distinguish process cooling refrigeration systems from non-process cooling refrigeration systems. While American Panel seems to suggest that the capacity of the refrigeration system would depend on the load inserted into a process cooler, DOE disagrees, because the capacity cited in the proposed definition is the refrigeration system's net capacity when determined in a manner consistent with the prescribed walk-in test conditions—this capacity depends on the refrigeration system characteristics, not on how much product is being cooled. Specifically, when testing a condensing unit alone, the test calls for maintaining certain operating conditions (see, *e.g.,* tables 11 through 14 of AHRI 1250–2009, which specify air and refrigerant entering conditions and refrigerant exiting subcooling condition, but nothing about the quantity of product being cooled). No commenters provided specific suggestions regarding the appropriateness of the proposed 100 Btu/h per cubic foot, *i.e.,* what lower value would be more appropriate. Additionally, commenters provided no other suggestions regarding more appropriate distinguishing characteristics to use for process cooling refrigeration systems, and none provided specific quantified values for recommended parameters to use in the definition. Hence, DOE is largely adopting the approach contained in its proposed definition.

However, to address the comments regarding the inconsistency of the ''storage'' aspect of walk-ins with the pulldown of product temperature in process cooling equipment, DOE will modify the definition to identify refrigeration systems that are ''capable of rapidly cooling food or other substances'' rather than systems that are ''used exclusively'' for this purpose. Also, in order to clarify that the enclosure that uses these refrigeration systems is insulated, DOE will insert ''insulated'' before the word ''enclosure'' in the definition.

KPS raised concern regarding the precision of the process cooling definition, indicating that ''blast chillers'' and ''blast freezers'' are used by customers and manufacturers to describe a range of product types. (Docket No. EERE–2016–BT–TP–0030, KPS, No. 8 at p. 1) KPS did not, however, elaborate on what other types of equipment should be addressed (or excluded) by DOE's proposed definition. DOE is aware, for example, of blast chillers and freezers that are smaller than walk-ins and that might be considered ''reach-in process cooling equipment,'' *i.e.,* process cooling equipment which the user reaches into rather than walks into to insert or remove product. This terminology is consistent with the term ''reach-in'' used with commercial refrigeration equipment (see, *e.g.,* Double Door Refrigerator, No. 93) However, DOE is not concerned that such equipment would be confused with walk-in process cooling equipment, because such reach-in equipment cannot be walked into.

Impact on Refrigeration System Energy Conservation Standards

As discussed above, process cooling refrigeration systems generally are not subject to the energy conservation system standards that are the subject of this final rule notice. DOE explicitly established the process cooling refrigeration system definition in acknowledgement that the energy use of these systems may not be adequately represented by the AWEF metric used to represent the efficiency of other walk-in refrigeration systems. Consequently, this equipment has little bearing on the analysis conducted for this rulemaking or the efficiency levels considered as potential standard levels. Nevertheless, walk-in process cooling equipment is subject to other standards, notably the EPCA prescriptive design standards and the standards for panels and doors as prescribed by the June 2014 final rule.

b. Preparation Room Refrigeration Systems

Hussmann, Zero Zone, Manitowoc, Rheem, and AHRI argued that preparation room refrigeration systems do not fit the EPCA definition of a WICF ''enclosed storage space.'' (42 U.S.C. 6311 (20)). Manitowoc, Rheem, and AHRI also stated that the inclusion of these equipment was not discussed in the ASRAC negotiations and requested that preparation room refrigeration systems be removed from the scope of the WICF test procedure and be specifically excluded from the WICF energy conservation standard and the EPCA prescriptive requirements. (Hussmann, No. 83 at p. 2; Zero Zone, No. 88 at p. 1 Manitowoc, No. 82 at pp. 1–2; Rheem, No. 91 at p. 2; AHRI, No. 90 at p. 2) Stakeholders expressed similar comments in response to the August 2016 TP NOPR. DOE responded to these comments in the December 2016 TP final rule, providing extensive discussion supporting its position, and concluding that preparation room refrigeration systems are indistinguishable from other walk-in refrigeration systems, and hence are subject to the walk-in refrigeration system energy conservation standards. 81 FR at 95773–95774 (December 28, 2016).

c. Single-Package Dedicated System

The CA IOUs agreed that AHRI 1250–2009 is an appropriate test procedure for ''packaged dedicated systems'' and suggested the term ''packaged dedicated system'' be changed to ''single-package dedicated system'' or ''self-contained units,'' in order to improve clarity and align regulatory and industry language. (CA IOUs, No. 80 at pp. 2–3)

Conversely, Manitowoc, Rheem, and AHRI argued that packaged dedicated units be excluded from the scope of the WICF test procedure and specifically excluded from EPCA's prescriptive design requirements and energy conservation standards because their proposed inclusion was neither discussed in the ASRAC negotiations nor a part of the Term Sheet approved by the Working Group. (Manitowoc, No. 82 at pp. 1–2; Rheem, No. 91 at p. 2; AHRI, No. 90 at p. 2)

DOE notes that section 2.1 of AHRI 1250–2009 states that the scope of this testing standard ''applies to mechanical refrigeration equipment consisting of an *integrated single package refrigeration unit* [emphasis added], or separate unit cooler and condensing unit sections, where the condensing section can be located either outdoor or indoor.'' AHRI 1250–2009, section 2.1.

DOE agreed that the suggested use of the term ''single-package dedicated refrigeration system'' would provide further clarity, indicating much more precisely what this equipment is, and is consistent with the approach used for air-conditioning units. DOE adopted the suggested term from the CA–IOUs in its December 2016 TP final rule. 81 FR at 95764 (December 28, 2016).

DOE notes that the definition for ''refrigeration system'' was established in the context of walk-ins to include ''(1) A packaged dedicated system where the unit cooler and condensing unit are integrated into a single piece of equipment'' in its April 15, 2011 final rule establishing test procedures for WICFs. 73 FR at 21605. In DOE's view, packaged systems are walk-in refrigeration systems and are subject to

the applicable prescriptive standards established by Congress through EISA 2007 along with the performance standards that DOE prescribes for these systems.[24] DOE notes that this view is not restricted to DOE, as two manufacturers confirmed that a single-package refrigeration system is a type of dedicated condensing system on two occasions during the Working Group meetings. (Docket No. EERE–2015–BT–STD–0016; Lennox, Public Meeting Transcript (October 16, 2015), No. 63 at pp. 249–251; Rheem, Public Meeting Transcript (December 3, 2015), No. 57 at p. 157). Also, DOE notes that the Term Sheet included no indication that these systems are excluded. (Term Sheet, No. 56) Thus, DOE disagrees that these systems are not considered to be WICF refrigeration systems subject to WICF standards, including the prescriptive standards mandated by EPCA.

d. Hot Gas Defrost

Lennox agreed with the removal of the hot gas defrost credit from the test procedure, and recommended that, as a replacement for this removal, that DOE adopt an approach where hot gas defrost models would be assigned the AWEF value of an equivalent electric defrost model. Lennox defined an equivalent electric defrost model as one within +/ − 10% of the net capacity of the rated hot gas model. If an equivalent electric defrost model is not available, Lennox recommended that an AEDM could be used to determine a hot gas model's AWEF rating. (Lennox, No. 89 at pp. 5–6) DOE also received numerous comments regarding the treatment of hot gas defrost units in response to the test procedure NOPR, several of which recommended similar or identical approaches. DOE discussed these comments and responded to them in the test procedure final rule, establishing an approach that includes testing such units as if they are electric defrost units, using standardized energy and defrost thermal load contributions in the AWEF calculations. 81 FR at 95774–95777 (December 28, 2016).

[24] With respect to these prescriptive requirements, DOE notes that the relevant statutory provision does not indicate that the promulgation of performance standards supplants those standards that Congress already mandated through its enactment of EISA 2007. Accordingly, because there is no explicit authority in this instance for DOE to override a statutorily-prescribed standard, the initial design requirements established by Congress continue to apply. See 42 U.S.C. 6313(f)(1)–(5) (detailing prescriptive design requirements for certain walk-in components and the process by which DOE must prescribe separate walk-in performance-based standards).

e. High-Temperature Freezers

Lennox requested that DOE allow manufacturers to publish application ratings of medium temperature condensing units to cover the high temperature freezer application range (room temperature of 10 °F to 32 °F) and allow sale for that use. Due to the limitations of low-GWP refrigerants approved by the U.S. Environmental Protection Agency's (''EPA's'') Significant New Alternatives Policy (''SNAP''), Lennox noted that only medium temperature condensing units are able to operate in this range and thus preventing manufacturers from selling these units for this application would violate EPCA's mandate that a new standard shall not result in the unavailability of any product type, features, sizes, capacities and volumes (42 U.S.C. 6295(o)(4)). Further, it suggested that such a limitation would lessen ''the utility or performance'' of this equipment (as contemplated under 42 U.S.C. 6295(o)(2)(B)(i)(IV)) because in today's marketplace, manufacturers publish application data for medium temperature condensing units covering this application range. Lennox also argued that creating a new equipment class or allowing test procedure waivers for these cases will add to manufacturer burden (*i.e.,* additional testing, certification, and marketing costs) without passing any benefit along to customers or improving energy efficiency performance. Finally, Lennox provided test data for 12 medium temperature and 11 low temperature condensing units showing that the medium temperature units actually achieve a higher AWEF value than the low temperature units when operating at the 10 °F test condition. In its view, allowing manufacturers to market and sell their medium temperature units for this application range may actually result in better energy efficiency performance. (Lennox, No. 89 at pp. 2–5)

As explained in the test procedure final rule, DOE requires that equipment that is distributed in commerce consistent with the definitions for multiple equipment classes must be certified for all such classes. 81 FR 95791 (December 28, 2016). Lennox's assertions regarding the potential lessening of utility or performance or the unavailability of any product type, features, sizes, capacities and volumes are undercut by the available data, which show that all of the equipment performance projections—including those provided in Lennox's comments—exceed the minimum AWEF standard proposed by DOE by a large margin (*i.e.,* have a higher energy efficiency performance than the proposed standard). (Lennox, No. 89 at p. 4) Hence, the proposed (and final) standard's stringency will not make these equipment unavailable or reduce their utility.

3. Rulemaking Timeline

DOE issued the test procedure final rule on December 2, 2016. DOE issued the energy conservation standard NOPR on August 30, 2016 and published it on September 13, 2016. 81 FR 62980. The comment period for the energy conservation standard NOPR closed on November 14, 2016.

AHRI, Hussmann and Zero Zone commented on DOE's timeline in conducting concurrent test procedure and energy conservation standard rulemakings. (Docket No. EERE–2015–BT–STD–0016, AHRI, No. 90, at pp. 2–3; Hussmann, No. 83, at p. 2; Zero Zone, No. 88, at p. 1) Hussmann stated that overlapping NOPRs and comment review periods are not adequate. Zero Zone suggested that DOE should not finalize energy conservation standard levels until the test procedure is finalized. AHRI expressed concern that the concurrent rulemakings present a challenge to stakeholders commenting on both proposals. AHRI indicated its view that DOE's proposal is different from the Working Group Term Sheet. Further, AHRI reiterated its requests that DOE's test procedure should exclude ''packaged units,'' ''process refrigeration systems'' and ''preparation room refrigeration systems'' and amend the proposed standards to specifically exclude these equipment from coverage under those standards.

As described in Section II.A, the negotiated rulemaking that led to the Term Sheet setting out the standards that DOE is adopting in this final rule also produced recommendations (with ASRAC's approval) that DOE modify its test procedure for walk-in refrigeration systems. The test procedure changes at issue specifically address the Term Sheet recommendations, *i.e.,* that DOE amend the test procedure to clarify the scope of equipment classes covered by the regulations, (Term Sheet Recommendations #1 and #7, No. 56 at pp. 1–3), and remove from the test procedure any test methods associated with technology options deemed by the Working Group to be inappropriate for consideration under the standards rulemaking (Term Sheet Recommendations #2, #3, and #4, No. 56 at p. 2). DOE issued a pre-publication version of the test procedure NOPR on July 29, 2016 and immediately made it available for stakeholder review, thus

giving an extended period for consideration of the test procedure clarifications and simplifications. DOE amended the test procedure consistent with its understanding of the approach agreed upon by the various parties who participated in the negotiated rulemaking.

DOE notes that the test procedure NOPR proposed no changes to the test methods used to determine equipment efficiency levels, other than the amendments made, consistent with the Term Sheet, of removing the test provisions for hot gas defrost, and requiring the demonstration of compliance without the use of adaptive defrost or on-cycle evaporator fans. In light of these facts, in DOE's view, stakeholders had sufficient notice and information regarding these specific aspects related to the test procedure. No additional time was needed to consider these aspects of the proposed amendments beyond that which DOE already provided during its negotiated rulemaking meetings and the proposal itself.

DOE notes also that comments were received in response to the energy conservation standard NOPR, and that some of these addressed interaction between the energy conservation standard and the test procedure, thus indicating that commenters had time to voice concerns regarding such interactions. Further, DOE notes that none of the comments recommended that the proposed standard levels should be changed if the final test procedure were as proposed in the test procedure NOPR. As mentioned above, there were no proposed changes to the test methods other than those recommended by the Working Group—hence, since there is no measurement change, there is no basis for consideration of any standards adjustment associated with measurement change. Finally the test method of the final rule is identical to that of the NOPR, so stakeholder comments made on the basis of the proposed test procedure would have been equally relevant on the basis of the finalized test procedure.[25]

Additionally, commenters indicated that it was the inclusion of what they claim to be additional equipment categories in the scope of the standards that, in their view, goes beyond the agreements reached during the ASRAC negotiations and presented a timing challenge with the rulemakings because the test procedure proposals affecting scope would have a direct bearing on stakeholders' consideration of the standard levels (see, *e.g.,* AHRI, No. 90 at pp. 2, 3). Commenters specifically mentioned single-package dedicated refrigeration systems, preparation room refrigeration systems, and process cooling refrigeration systems as categories that were added to the scope of coverage by the test procedure rulemaking, thus creating the need for more time for consideration of the standard levels. (*Id.*)

In response, DOE does not agree that more time was needed for consideration of the standard levels because DOE does not believe that the test procedure NOPR or final rule extended the regulatory scope of the proposed refrigeration system standards to new equipment, as suggested by AHRI and other manufacturers. First, there is no record indicating that single-package dedicated refrigeration systems were not included as part of the Working Group discussions. The inclusion of this equipment category was confirmed on two occasions during the Working Group meetings by manufacturer representatives (Docket No. EERE–2015–BT–STD–0016; Lennox, Public Meeting Transcript (October 16, 2015), No. 63 at pp. 249–251; Rheem, Public Meeting Transcript (December 3, 2015), No. 57 at p. 157) There was no subsequent discussion to exclude single-package dedicated systems and the Term Sheet does not indicate any such exclusion. DOE clarified at least as far back as the June 2014 energy conservation standard final rule that these systems are subject to the refrigeration system standards. 79 FR at 32068 (June 3, 2014). Hence, stakeholders have had ample time to consider the Term Sheet's recommended standard levels with respect to all of the equipment classes at issue, including single-package dedicated refrigeration systems.

Second, regarding preparation room refrigeration systems, DOE addressed this issue in the December 2016 TP final rule, providing extensive discussion supporting its position, and concluding that preparation room refrigeration systems are indistinguishable from other walk-in refrigeration systems, and hence are subject to the walk-in refrigeration system energy conservation standards. 81 FR at 95773–95774 (December 28, 2016). There has been no evidence brought forth to indicate that such systems are anything other than walk-in refrigeration systems. DOE's test procedure notice specifically requested information that would distinguish these systems from other walk-in refrigeration systems. 81 FR at 54937 (August 17, 2016). Stakeholder responses provided many comments indicating that preparation rooms do not fit the definition of a walk-in (see, *e.g.,* Docket No. EERE–2016–BT–TP–0030, AHRI, No. 11 at p. 4), and commented that DOE's proposed definition did not adequately provide a basis for distinction (see, *e.g.,* Docket No. EERE–2016–BT–TP–0030, Lennox, No. 13 at pp. 8–9), but provided no information that could be used to distinguish these systems. Hence, DOE concludes that these refrigeration systems are indeed walk-in refrigeration systems. As such, in DOE's view, there should not have been any expectation that they would not be subject to the standard levels being discussed by the Working Group. DOE notes that there was no discussion at any time during the Working Group meetings suggesting that preparation room refrigeration systems would be excluded from the walk-in definition, and the Term Sheet does not indicate this possibility. DOE notes also that the possible exclusion of preparation room refrigeration systems from the walk-in refrigeration system standards has been discussed at least since the publication of the 2014 energy conservation standard final rule (see, *e.g.,* 79 FR at 32068 (June 3, 2014)), but DOE has at no time provided indication that they would be excluded. Hence, in DOE's view, stakeholders had sufficient notice that these refrigeration systems would be considered within the context of the Term Sheet's recommended standards well in advance of DOE's issuance of the energy conservation standard NOPR on August 30, 2016.

Third, regarding process cooling refrigeration systems, DOE's test procedure rulemaking defined process cooling refrigeration systems for the purpose of excluding them from having to satisfy the refrigeration system standards established by this final rule. The only exception to this exclusion is a dedicated condensing unit that would be used in a process cooling application that is not distributed in commerce with a process cooling unit cooler or evaporator or a process cooling walk-in enclosure. There has been no evidence presented that these condensing units are any different from other walk-in refrigeration system condensing units with respect to energy use characteristics, so distribution in commerce of such a condensing unit individually is not clearly for process cooling applications and could be for

[25] The test procedure final rule did modify the approach for testing hot gas defrost systems to make the test for such units consistent with tests for electric defrost units. However, this change is consistent with the Term Sheet removal of hot gas defrost as a design option and simply puts hot gas and electric defrost units on the same footing. See additional discussion in section IV.A.2.d.

any walk-in application. DOE's test procedure notice specifically requested information that would distinguish these condensing units from other walk-in condensing units. 81 FR at 54936 (August 17, 2016). Stakeholder responses provided many comments indicating that process cooling equipment does not fit the definition of a walk-in (see, *e.g.,* Docket No. EERE–2016–BT–TP–0030, AHRI, No. 11 at p. 5), but provided no information that could be used to distinguish these systems. In fact, one comment suggested that process cooling condensing units do not differ from other walk-in condensing units except in that they may have a larger refrigerant receiver. (Docket No. EERE–2016–BT–TP–0030, Bally, No. 22 at p. 1) Such a difference would not affect energy use as measured using the dedicated condensing unit test procedure because neither the receiver nor the refrigerant in it consume energy. Hence, while most process cooling refrigeration system equipment would be excluded from the standards, process cooling condensing units that are distributed in commerce individually (without a unit cooler or process cooling enclosure) would have no more challenge meeting the recommended Working Group standard levels than any other walk-in condensing unit. Hence, in DOE's view, further consideration regarding the proposed standard levels for such equipment, particularly when they are generally being excluded from the walk-in standards, is unnecessary.

As indicated, DOE concludes that commenters had adequate information at an early stage in the process regarding both the test method changes adopted in the test procedure rulemaking and the intended scope of coverage, and thus had sufficient time to consider the energy conservation standard proposals. Hence, DOE has not extended the time period for comments, nor delayed finalization of the rulemaking.

4. ASRAC Working Group Representation

Eric Andrews, an owner of an ice cream franchise, commented that this rulemaking has little input from the consumers, observing that the ASRAC Working Group members and attendees primarily represent organizations involved in repair and manufacturing. (Andrews, No. 76 at p. 1)

Prior to the Working Group meetings, on August 5, 2015, DOE published a notice of intent to establish a Working Group for Certain Equipment Classes of Refrigeration Systems of Walk-in Coolers and Freezers to Negotiate a Notice of Proposed Rulemaking for Energy Conservation Standards. 80 FR 46521. DOE notes that the agenda for the WICF Working Group meetings included as key issues (a) proposed energy conservation standards for six classes of refrigeration systems and (b) potential impacts on installers. See id. at 46523. These issues focused on refrigeration systems and installers. The Working Group consisted of 12 representatives of parties having a defined stake in the outcome of the proposed standards and one DOE representative, including six representatives of WICF refrigeration system manufacturers (Traulsen, Lennox, Hussmann, Manitowoc, Rheem, and Emerson). In addition, a representative of the Air Conditioning Contractors of America represented walk-in installers. Other members other than DOE represented efficiency advocacy groups and utilities. (Docket EERE–2015–BT–STD–0016, Term Sheet, No. 56 at p. 4) Hence, DOE believes that the representation was appropriate for the scope of the Working Group meetings. DOE published a notice of proposed rulemaking on September 13, 2016 and immediately made it available for public review. 81 FR 62979. A public meeting to discuss DOE's proposal was held on September 29, 2016. DOE notes all of the Working Group meetings and the NOPR public meeting were open to the public and were also broadcast via webinar. DOE believes that stakeholders, including consumers had ample opportunities to provide inputs to this rulemaking.

B. Market and Technology Assessment

DOE develops information in the market and technology assessment that provides an overall picture of the market for the products concerned, including the purpose of the products, the industry structure, manufacturers, market characteristics, and technologies used in the products. This activity includes both quantitative and qualitative assessments, based primarily on publicly-available information. The subjects addressed in the market and technology assessment for this rulemaking include (1) a determination of the scope of the rulemaking and product classes, (2) manufacturers and industry structure, (3) existing efficiency programs, (4) shipments information, (5) market and industry trends, and (6) technologies or design options that could improve the energy efficiency of WICF refrigeration systems under consideration. The key findings of DOE's market assessment are summarized below. See chapter 3 of the final rule TSD for further discussion of the market and technology assessment.

1. Scope of Coverage and Product Classes

As discussed in section II.B, this final rule covers energy conservation standards for covered walk-in refrigeration systems to replace the six standards vacated by the Fifth Circuit. These vacated standards relate to (1) the two energy conservation standards applicable to unit coolers (formerly called multiplex condensing systems) operating at medium and low temperatures and (2) the four energy conservation standards applicable to dedicated condensing refrigeration systems operating at low temperatures. As noted earlier, the remaining standards for walk-ins already promulgated by DOE remain in place.

In the June 2014 final rule, DOE divided refrigeration systems into classes based on their treatment under the test procedure with respect to condensing unit configuration. 79 FR at 32069–32070 (June 3, 2014). In the May 2014 test procedure final rule, DOE adopted test methods to address walk-in refrigeration system components distributed individually—*i.e.,* unit coolers or condensing units sold alone can be tested and certified to the applicable standards as individual components. DOE also provided manufacturers the option of testing and certifying any matched pair that includes a condensing unit and a unit cooler. 79 FR at 27391 (May 13, 2013). Dedicated condensing units certified alone and as matched pairs are subject to standards as part of the dedicated condensing unit equipment class, while unit coolers certified alone fall in the unit cooler class (previously identified as the ''multiplex condensing'' class).

As discussed in the September 2016 NOPR, DOE expects that the majority of refrigeration equipment certified within the dedicated condensing class will consist of condensing units sold alone, while a much smaller number of systems certified within this class will be tested as matched pairs under DOE's test procedure. 81 FR at 62993 (September 13, 2016).

In the December 2016 TP final rule, DOE adopted the term ''unit cooler'' to refer to the class of equipment previously identified as ''multiplex condensing'' refrigeration systems. 81 FR at 95766–95767 (December 28, 2016). All unit coolers sold alone will be treated for certification purposes as belonging to the unit cooler class. For this rulemaking, DOE's analysis evaluated the energy use of unit coolers installed in both dedicated condensing and multiplex condensing applications.

This analysis is discussed in sections IV.D.1 and IV.F.

In the June 2014 final rule, DOE established an AWEF standard for low-temperature multiplex condensing systems (unit coolers) that did not vary with capacity. This standard was subsequently vacated through the controlling court order from the Fifth Circuit. Based on further comment and analysis conducted during the negotiated rulemaking to examine potential energy conservation standards for this class of equipment, DOE proposed different standard levels for different capacities of low-temperature unit coolers in the September 2016 NOPR. The proposal brought the total number of standards up to seven which would replace the six standards that were vacated. DOE received comments in support of the proposed standard levels for low-temperature unit coolers. (CA IOUs, No. 80, at p. 1–2). Hence, in light of the analysis conducted and the supporting comments received, this final rule separates low-temperature unit coolers into two classes based on capacity range.

The December 2016 TP final rule addressed the coverage of process cooling walk-ins and their components under DOE's regulations and established a definition for process cooling to distinguish this equipment from other walk-ins. 81 FR at 95767–95773 (December 28, 2016). As discussed in the test procedure final rule, process cooling walk-ins are within the scope of the definition of walk-ins, making them subject to the prescriptive statutory requirements already established by Congress. See 42 U.S.C. 6313(f). In addition, their panels and doors are subject to the component-based performance standards established by the June 2014 final rule. See 42 U.S.C. 6313(f) and 10 CFR 431.306. However, a process cooling refrigeration system may or may not be subject to the refrigeration system standards—including those established today—depending on the circumstances.

DOE has defined a process cooling refrigeration system as a refrigeration system that either (1) is distributed in commerce with an enclosure such that the ratio of refrigeration system capacity per internal enclosure volume is at least 100 Btu/h per cubic foot, indicating that the refrigeration system has ample capacity to reduce the temperature of products inserted into the enclosure in addition to keeping the temperature of the enclosure at refrigerated temperature, *i.e.,* below 55 °F, or (2) is a unit cooler with certain dimensional characteristics observed only for process cooling unit coolers. 81 FR at 95801 (December 28, 2016). In this final rule, DOE is also clarifying at 10 CFR 431.306(e) that the refrigeration system standards do not apply to equipment that meets the process cooling definition. This exclusion applies to both the refrigeration system standards adopted in this rule and the refrigeration system standards adopted in the June 2014 final rule that were not subsequently vacated. Because of the specific aspects of the process cooling definition and the exclusion that DOE is providing for refrigeration systems used in process cooling applications, the refrigeration system standards do not apply to (a) refrigeration systems sold as part of a complete package, including the insulated enclosure, and refrigeration systems for which the capacity per volume meets the process cooling definition, (b) dedicated condensing systems sold as a matched-pair in which the unit cooler meets the requirements of the process cooling definition, and (c) unit coolers that meet the requirements of the process cooling definition. As discussed in the test procedure notice, condensing units distributed in commerce without unit coolers or insulated enclosures are subject to the standards, even if sold for process cooling applications.

2. Technology Options

In the technology assessment for the June 2014 final rule, DOE identified 15 technology options to improve the efficiency of WICF refrigeration systems, as measured by the DOE test procedure (see Docket EERE–2008–BT–STD–0015, Final Rule Technical Support Document, No. 0131, Section 3.3 pp. 3–24 to 3–33):

- Energy storage systems
- Refrigeration system override
- Automatic evaporator fan shut-off
- Improved evaporator and condenser fan blades
- Improved evaporator and condenser coils
- Evaporator fan control
- Ambient sub-cooling
- Higher-efficiency fan motors
- Higher-efficiency compressors
- Liquid suction heat exchanger
- Defrost controls
- Hot gas defrost
- Floating head pressure
- Condenser fan control
- Economizer cooling

Weiss indicated that energy saving cycles/set points offset and anti-sweat heater controls technologies are not included in this analysis. (Weiss, No. 85, at p. 2) DOE notes the test procedure to determine AWEF involves measurement of performance (capacity and power input) when operating with walk-in box temperature at 35 °F for coolers and −10 °F for freezers. Hence the savings of set point offsets would not be measured by the test procedure and cannot be considered in the analysis. Anti-sweat heater control also is not accounted for in the test procedure and hence cannot be considered in the analysis.

DOE continued to consider these 15 options in formulating the WICF refrigeration system standards detailed in this final rule. DOE did not receive any comments regarding the selected technologies listed in this section. See chapter 3 of the TSD for further details on the technologies DOE considered.

C. Screening Analysis

DOE uses the following four screening criteria to determine which technology options are suitable for further consideration in an energy conservation standards rulemaking:

(1) *Technological feasibility.* Technologies that are not incorporated in commercial products or in working prototypes will not be considered further.

(2) *Practicability to manufacture, install, and service.* If it is determined that mass production and reliable installation and servicing of a technology in commercial products could not be achieved on the scale necessary to serve the relevant market at the time of the projected compliance date of the standard, then that technology will not be considered further.

(3) *Impacts on product utility or product availability.* If it is determined that a technology would have significant adverse impact on the utility of the product to significant subgroups of consumers or would result in the unavailability of any covered product type with performance characteristics (including reliability), features, sizes, capacities, and volumes that are substantially the same as products generally available in the United States at the time, it will not be considered further.

(4) *Adverse impacts on health or safety.* If it is determined that a technology would have significant adverse impacts on health or safety, it will not be considered further. 10 CFR part 430, subpart C, appendix A, 4(a)(4) and 5(b)

In sum, if DOE determines that a technology, or a combination of technologies, fails to meet one or more of the above four criteria, it will be excluded from further consideration in the engineering analysis. The reasons

for eliminating any technology are discussed below.

1. Technologies Having No Effect on Rated Energy Consumption

In the June 2014 final rule, DOE determined that the following technologies do not affect measured energy efficiency (see Docket EERE–2008–BT–STD–0015, Final Rule Technical Support Document, No. 0131, Section 4.2 pp. 4–3 to 4–4):

- Liquid suction heat exchanger
- Refrigeration system override
- Economizer cooling
- Automatic evaporator fan shut-off

Weiss commented on these technologies. Its comments about the use of a liquid suction heat exchanger (''not a lot of applications'') and automatic evaporator fan shut-off (''not much savings'') appear to be in line with DOE's decision exclude them from the analysis. Weiss noted that refrigeration system override should be considered if shifting set points is included as part of this technology. Weiss also suggested that economizer cooling can save energy but requires use of humidity measurement. (Weiss, No. 85 at p. 2). In response, DOE clarifies that these technologies were screened out because they do not affect the rated efficiency as measured by the test procedure. DOE has not received any further evidence that these technologies should be considered and has not included them in the analysis.

As discussed in section III.B, DOE modified the method for testing systems with hot gas defrost in a separate rulemaking that eliminated the credit assigned to hot gas defrost systems when calculating a unit's energy efficiency under the prior test procedure. In the final version of the test procedure that DOE recently adopted, the AWEF of a refrigeration system with hot gas defrost is determined as if it were equipped with electric defrost. 81 FR at 95774–95777 (December 28, 2016). Thus, DOE has dropped hot gas defrost from further consideration in its analysis.

2. Adaptive Defrost and On-Cycle Variable-Speed Evaporator Fans

Consistent with the recommendations made during the Working Group negotiations, DOE established a regulatory approach in the December 2016 TP final rule to address adaptive defrost and on-cycle variable-speed fans in which these features would not be active during testing to demonstrate compliance with the applicable standards, but that the features could be active during testing to support representations of their benefit, such as when advertising equipment performance in product literature. (See Term Sheet at EERE–2015–BT–STD–0016, No. 56, recommendation #4 and 81 FR at 95777 (December 28, 2016)). Weiss commented that many field tests show an energy savings of 15 to 20 percent with adaptive defrost controls but that evaporator fan controls do not yield much savings. (Weiss, No. 85, at p. 2) DOE agrees that there may be the potential for savings with adaptive defrost control but reiterates that a test procedure to properly account for its savings and a suitable regulatory definition for the technology has not been developed and could not be agreed upon by the WICF Working Group. Hence, DOE continues to decline to consider these technology options in its standards analysis for this rule.

3. Screened-Out Technologies

In the June 2014 final rule, DOE screened out the following technologies from consideration (see Docket EERE–2008–BT–STD–0015, Final Rule Technical Support Document, No. 0131, Section 4.3, pp 4–4 to 4–6):

- Energy storage systems (technological feasibility)
- High efficiency evaporator fan motors (technological feasibility)
- 3-phase motors (impacts on equipment utility)
- Improved evaporator coils (impacts on equipment utility)

Weiss indicated that energy storage systems are an old technology, which DOE interprets as support for its decision to screen out this technology. (Weiss, No. 85, at p. 2) DOE has not received any new evidence that would weigh in favor of including these screened-out technologies. Consequently, these technologies have not been considered in the analysis supporting this final rule. Chapter 4 of the final rule TSD contains further discussion of the screening of these technologies.

The implications of screening out these technologies on the analysis and the selected standard levels depend on each particular technology. The test procedure does not take into consideration the benefits of energy storage systems, so screening this technology did not affect the analysis. A manufacturer could adopt the technology, which potentially could save energy in field use, but equipment using it would not have an improved AWEF. Evaporator fans using higher-efficiency motors than the electronically commutated motors required by the prescriptive standards could possibly be sourced by manufacturers in the future, but DOE was not able to identify any such motor technology—if such technology were readily available and considered in the analysis, the final unit cooler efficiency levels set by this rule may have been incrementally higher, assuming designs using such motors would have been cost-effective. If utility concerns regarding improved or larger evaporator coils were not addressed by screening out this technology, the final unit cooler efficiency levels set by this rule may have been incrementally higher, assuming designs using such evaporators would have been cost-effective. A manufacturer could potentially sell unit coolers with such improved evaporators and achieve higher AWEF levels, but at the risk of the utility concerns discussed in the TSD, *e.g.* reduced humidity control and/or potential defrost issues.

4. Remaining Technologies

Through a review of each technology, DOE concludes that all of the remaining technologies listed in section IV.B.2 satisfy all four screening criteria and that their benefits can be measured using the DOE test procedure. In summary, DOE chose the following technology options to be examined further as design options in DOE's analysis:

- Higher efficiency compressors
- Improved condenser coil
- Higher efficiency condenser fan motors
- Improved condenser and evaporator fan blades
- Ambient sub-cooling
- Off-cycle evaporator fan control
- Variable speed condenser fan control
- Floating head pressure

Weiss submitted a list of notes regarding each of the remaining technologies. (Weiss, No. 85, at p. 2) Specifically, Weiss requested that DOE provide details on the analyses of higher efficiency compressors and improved condenser coil technologies. DOE notes that the detailed description and analysis details of these two technologies can be found in section 3.3.5, 3.3.10, 5.5.8.1 and 5.5.8.2 of the final rule TSD. Weiss also suggested that using higher efficiency condenser fan motors would result in improvement with an electronically commutated (''EC'') motor. DOE noted that use of an EC motor was considered as a potential design option in its supporting analysis—see TSD at section 5.5.8.3. Weiss also commented regarding the benefits and costs of improved condenser and evaporator fan blades, variable speed condenser fan control

and floating head pressure. DOE notes that the cost and efficiency relationship is reflected in DOE's engineering analysis and the results are provided in Appendix 5A of the TSD. Weiss also indicated that ambient sub-cooling technology is not used in WICF equipment. DOE notes such technology is available in the market for various air conditioning and refrigeration applications. DOE did not receive any supported reasons for screening out such technology during the rulemaking for June 2014 final rule or the Working Group meetings. DOE's analysis has shown that using ambient sub-cooling technology incrementally improves the efficiency of WICF refrigeration systems. Weiss commented that the off-cycle evaporator fan control technology does not make sense for EC motors and claimed that they have high inrush current, thus suggesting that they should be screened out. In response, DOE points to the Working Group consensus regarding consideration of this design option and the fact that the Working Group members provided no information suggesting issues associated with inrush current or related concerns. DOE also notes that this technology is currently available on the market for walk-in unit coolers which use these motors. (Docket No. EERE–2015–BT–STD–0016, Trenton TLP Product Data and Installation, No. 92 at p. 22) Hence, DOE has not removed any of these technologies from consideration in the analysis.

DOE determined that these technology options are technologically feasible because they are being used or have previously been used in commercially-available products or working prototypes. DOE also finds that all of the remaining technology options meet the other screening criteria (*i.e.,* practicable to manufacture, install, and service, and they do not result in adverse impacts on consumer utility, product availability, health, or safety). For additional details, see chapter 4 of the final rule TSD.

D. Engineering Analysis

In the engineering analysis, DOE establishes the relationship between the manufacturer production cost (''MPC'') and improved WICF refrigeration system efficiency. This relationship serves as the basis for cost-benefit calculations for individual consumers, manufacturers, and the Nation. DOE typically structures the engineering analysis using one of three approaches: (1) Design option, (2) efficiency level, or (3) reverse engineering (or cost assessment). The design-option approach involves adding the estimated cost and associated efficiency of various efficiency-improving design changes to the baseline product to model different levels of efficiency. The efficiency-level approach uses estimates of costs and efficiencies of products available on the market at distinct efficiency levels to develop the cost-efficiency relationship. The reverse-engineering approach involves testing products for efficiency and determining cost from a manufacturing cost model based on detailed bills of material (''BOM'') derived from reverse engineering representative equipment. The efficiency ranges from that of the least-efficient WICF refrigeration system sold today (*i.e.,* the baseline) to the maximum technologically feasible efficiency level. At each efficiency level examined, DOE determines the MPC; this relationship is referred to as a cost-efficiency curve. DOE conducted the engineering analysis for the June 2014 final rule using a design-option approach. 79 FR at 32072 (June 3, 2014). DOE received no comments suggesting that it use one of the alternative engineering analysis approaches. Consequently, DOE used a design-option approach in the analysis supporting the September 2016 NOPR and this final rule.

However, as discussed in the September 2016 NOPR, DOE made several changes to its engineering analysis based on discussions and information provided during the Working Group negotiation meetings. These changes are described in detail in chapter 5 of the final rule TSD and summarized in the following sections. DOE did not receive any comments regarding the engineering analysis details as presented in the September 2016 NOPR and chapter 5 of the NOPR TSD. Consequently, DOE did not modify its engineering analysis for this final rule. DOE did, however, adjust its condenser capacity calculation for dedicated condensing units, as discussed in section IV.D.6.d. Details of the engineering analysis are available in chapter 5 of the final rule TSD.

1. Component-Based Analysis

In the June 2014 final rule, DOE's analysis for dedicated condensing systems was based on matched-pair systems, and its analysis for unit coolers (the ''multiplex'' class) was based on field installation in multiplex applications. See Docket EERE–2008–BT–STD–0015, Final Rule Technical Support Document, No. 0131, Section 5.5.3, pp 5–20 to 5–28; see also October 15, 2015 Public Meeting Presentation, slide 8, available in Docket No. EERE–2015–BT–STD–0016, No. 26, at p. 8. However, as discussed in section IV.B.1, most refrigeration system components are sold individually (not as matched pairs) and most unit coolers are installed in dedicated condensing applications. Hence, the analysis conducted for this final rule, as developed initially during the WICF Working Group meetings, was based on individual components (dedicated condensing units tested, certified, and sold alone, and unit coolers also tested, certified, and sold alone). The analysis also considered (within the context of unit coolers) both dedicated condensing and multiplex condensing applications.

2. Refrigerants

The analysis for the June 2014 final rule assumed that the refrigerant R–404A would be used in all new refrigeration equipment meeting the standard. 79 FR at 32074 (June 3, 2014). On July 20, 2015, EPA published a final rule under the SNAP program prohibiting the use of R–404A in certain retail food refrigeration applications. See 80 FR 42870 (''July 2015 EPA SNAP Rule''). Under the rule, R–404A can no longer be used in new supermarket refrigeration systems (starting on January 1, 2017), new remote condensing units (starting on January 1, 2018), and certain stand-alone retail refrigeration units (starting on either January 1, 2019 or January 1, 2020 depending on the type of system). See 40 CFR part 82, Appendix U to Subpart G (listing unacceptable refrigerant substitutes). EPA explained that most commercial walk-in coolers and freezers would fall within the end-use category of either supermarket systems or remote condensing units and would be subject to the rule. 80 FR at 42902 (July 20, 2015).

Given that manufacturers would not be allowed to use R–404A in WICF refrigeration systems when the WICF standards would take effect, the WICF Working Group recommended that DOE conduct its analysis using R–407A, an alternative refrigerant that will be acceptable for use in all of the considered WICF refrigeration systems under the July 2015 EPA SNAP rule. ((Docket No. EERE–2015–BT–STD–0016, various parties, Public Meeting Transcript (September 30, 2015), No. 67 at pp. 34–39)) Zero Zone supported DOE's proposal of using R–407A in the analysis. Zero Zone also expressed concern that R–407A might not be allowed in future EPA rulemakings and suggested that DOE develop a plan for revising the regulation if R–407A is delisted in the future. (Zero Zone, No. 88, at p. 1) In response to the comments suggesting analysis based on R–407A,

DOE revised its analysis using performance information for R–407A compressors, R–407A refrigerant properties, and to account for the temperature glide of R–407A,[26] as discussed in the following sections.

In response to Zero Zone's concern regarding potential future delisting of R–407A, DOE does not believe that there is sufficient specific, actionable data presented at this juncture to warrant a change in its analysis and assumptions regarding the refrigerants used in walk-in cooler and freezer applications. As of now, there is inadequate publicly-available data on the design, construction, and operation of equipment featuring alternative refrigerants to facilitate the level of analysis of equipment performance which would be needed for standard setting purposes. DOE is aware that many low-GWP refrigerants other than R–407A are being introduced to the market, and wishes to ensure that this rule is consistent with the phase-down of HFCs proposed by the United States under the Montreal Protocol. DOE continues to welcome comments on experience within the industry with the use of low-GWP alternative refrigerants. However, there are currently no mandatory initiatives such as refrigerant phase-outs driving a change beyond R407A.

Absent such action, DOE will continue to conduct its analysis based on R–407A, which the Working Group strongly supported. DOE clarifies that it will continue to consider WICF models meeting the definition of walk-in coolers and freezers to be part of their applicable covered equipment class, regardless of the refrigerant that the equipment uses. If a manufacturer believes that its design is subjected to undue hardship by regulations, the manufacturer may petition DOE's Office of Hearing and Appeals (''OHA'') for exception relief or exemption from the standard pursuant to OHA's authority under section 504 of the DOE Organization Act (42 U.S.C. 7194), as implemented at subpart B of 10 CFR part 1003. OHA has the authority to grant such relief on a case-by-case basis if it determines that a manufacturer has demonstrated that meeting the standard would cause hardship, inequity, or unfair distribution of burdens.

[26] ''Temperature glide'' for a refrigerant refers to the increase in temperature at a fixed pressure as liquid refrigerant vaporizes during its conversion from saturated liquid to saturated vapor.

3. As-Tested Versus Field-Representative Performance Analysis

DOE conducted an intermediate analysis to bridge the gap between the engineering analysis and the downstream analyses to predict aspects of field performance that would not be measured by the test procedure. DOE refers to this intermediate analysis as the ''field-representative analysis'' to distinguish it from the normal ''as-tested'' engineering analysis, which represents performance according to the test procedure. DOE conducted the field representative analysis for this rulemaking using a modified version of the engineering calculations in order to facilitate the energy use analysis that is conducted to determine annual energy use of the equipment when installed. Specific differences between DOE's as-tested and in-field performance modeling used in the analysis are discussed in section IV.D.6 and in further detail in chapter 5 of the TSD.

DOE provided outputs from the field-representative analysis for use in the energy use analysis for four equipment installation scenarios: (1) A new unit cooler and a new condensing unit that are installed together in the field; (2) a new unit cooler that is installed with a multiplex system; (3) a new unit cooler that is installed with an existing condensing unit in the field; and (4) a new condensing unit that is installed with an existing unit cooler in the field. Scenarios 1 through 3 apply to the evaluation of unit coolers, while scenarios 1 and 4 apply to the evaluation of condensing units. The scenarios analyzed in the downstream analysis are described in section IV.F. In analyzing medium-temperature unit coolers installed with new medium-temperature condensing units, DOE modeled the condensing units as operating with R–407A and meeting the standard for dedicated condensing, medium -temperature systems established in the June 2014 final rule, which remains in effect.

CoilPod, a company that manufactures certain HVAC-related cleaning tools, commented that energy use in the field can be increased significantly if condenser coils are not cleaned on a regular basis, and provided data for four coil-cleaning scenarios. The data provided are for a double-door merchandiser, a ''larger'' double-door refrigerator, a single-door freezer, and a double-glass-door refrigerator, and constitute daily energy savings from 46 to 50 percent after cleaning. (''COILPOD Energy Savings Data'', No. 77 at p. 1) While data contained only limited details, DOE assumes that these examples are for self-contained commercial refrigeration equipment (''CRE''), because the submitted information addresses equipment such as ''double-door merchandiser'', ''double door fridge'', and ''single door freezer'', common terminology for self-contained CRE, as illustrated in self-contained CRE marketing information (see, *e.g.,* ''Double Door Merchandiser'', No. 92; ''Double Door Refrigerator'', No. 93; ''Single Door Freezer'', No. 94). DOE also notes that none of CoilPod's information mentions that any of the identified equipment were walk-ins. There is no information to indicate whether the condensers for these units are mounted on top or beneath the equipment cabinets, nor any other information regarding accessibility of the condensers for cleaning. DOE does not consider this information to be an adequate average representation of the additional energy use that could be associated with self-contained commercial refrigeration equipment, since it represents only four examples and there is no information to indicate that the data is part of a larger survey that properly represents average impacts of this issue for all such equipment. Further, DOE expects that the impact of neglecting to clean condenser coils will affect different types of equipment differently, and the attention to coil cleaning may be greater for walk-in systems than for self-contained equipment (see *e.g.,* ''Commercial Refrigeration Maintenance'', No. 95, which suggests a greater need for maintenance of walk-ins than other commercial refrigeration), so that the impact on walk-in refrigeration systems may for several reasons be very different than for self-contained refrigerators and freezers. (With the lack of data on walk-in maintenance practices, however, only speculation is possible.) At this point DOE does not have sufficient information quantifying the potential field impact of dirty condenser coils for walk-in refrigeration systems, nor for any other factors that might degrade performance, and has not included any degradation factor in its calculations of field energy use.

DOE did not receive any other comments on the NOPR analysis scenarios or other aspects of its field-representative analysis, and hence has not changed these aspects of its analysis. Details of these four scenarios are also provided in chapter 5 of the TSD.

4. Representative Equipment for Analysis

In the analysis for the June 2014 final rule, DOE analyzed within each

equipment class a range of representative WICF refrigeration systems representing different capacities, compressor types, and evaporator fin spacing. Based on WICF Working Group meeting discussions, DOE simplified the range of these parameters in its analysis for this rulemaking, analyzing fewer compressor options and fewer fin spacing options, but modifying the selection of representative capacities. DOE presented its list of representative equipment in Table IV–1 of the September 2016 NOPR. 81 at 62998. DOE did not receive comments regarding the chosen representative equipment and hence used the same selections in its final rule analysis. The selections are shown in Table IV–1 below, which is identical to the table in the September 2016 NOPR.

TABLE IV–1—DETAILS OF REPRESENTATIVE EQUIPMENT ANALYZED

Equipment class	Sizes analyzed (Nominal Btu/h)	Compressor types analyzed	Unit cooler fins per inch
DC.L.I, < 6,500 Btu/h	6,000	Scroll	N/A
DC.L.I, ≥ 6,500 Btu/h	9,000	Scroll	N/A
	25,000*	Scroll, Semi-hermetic	N/A
	54,000	Semi-hermetic	N/A
DC.L.O, < 6,500 Btu/h	6,000	Scroll	N/A
DC.L.O, ≥ 6,500 Btu/h	9,000	Scroll	N/A
	25,000*	Scroll, Semi-hermetic	N/A
	54,000	Semi-hermetic	N/A
	72,000	Semi-hermetic	N/A
UC.M	4,000	N/A	6
	9,000	N/A	6
	24,000	N/A	6
UC.L, < 15,500 Btu/h	4,000	N/A	4
	9,000	N/A	4
UC.L, ≥ 15,500 Btu/h	18,000	N/A	4
	40,000	N/A	4

*Indicates a representative capacity that was not analyzed in the June 2014 final rule analysis. All other listed representative nominal capacities had also been analyzed in the June 2014 final rule.

5. Manufacturer Production Cost and Manufacturer Sales Price

DOE developed a manufacturing cost model to estimate the MPCs of the considered WICF refrigeration systems at each efficiency level from the baseline through max-tech for the representative capacities considered for each equipment class. The manufacturing cost model is a spreadsheet that estimates the dollar cost of manufacturing the considered WICF refrigeration systems based on the price of materials, the average labor rates associated with fabrication and assembly, and the cost of overhead and depreciation associated with the conversion processes used by manufacturers. To estimate these various cost components, DOE conducted manufacturer interviews and collected information on labor rates, tooling costs, raw material prices, and other factors. DOE estimated the costs of raw materials based on the most recent 5-year price averages available.

To support its analyses, which were presented and discussed during the WICF Working Group meeting, DOE conducted new physical and virtual teardowns [27] of WICF equipment to ensure that its cost model was representative of the current market. These new teardowns were in addition those conducted in support of the June 2014 final rule. See chapter 5 of the TSD for a more detailed explanation of how DOE gathered data for cost modeling.

In order to calculate manufacturer sales price (''MSP''), DOE used the same average manufacturer markup of 35 percent for WICF refrigeration systems in its analysis as used in the June 2014 final rule, and also the same methodology for calculating shipping costs.

In the September 2016 NOPR, DOE sought comment regarding the method it used for estimating equipment manufacturing costs in its analysis. 81 FR at 62999 (September 13, 2016). DOE did not receive any comments regarding this issue and has used the same cost estimation methodology for this final rule. Chapter 5 of the final rule TSD provides details and assumptions of the cost model.

6. Component and System Efficiency Model

For each representative capacity within each equipment class covered in this rulemaking (see section IV.D.4), DOE selected a particular model of unit cooler or condensing unit, as applicable, to represent the class at that capacity. DOE used a spreadsheet-based analysis tool to predict the performance of each representative unit for the range of efficiency levels considered in the analysis, similar to the method used in the June 2014 final rule. However, DOE made many revisions to its engineering analysis. For example, as discussed in section IV.D.1, the analysis prepared during the WICF Working Group meetings and used to support the September 2016 NOPR was based on individual components and did not analyze matched-pair dedicated condensing units. Also, as discussed in section IV.D.3, DOE developed field representative calculations in addition to as-tested calculations to evaluate the performance of systems as installed. The following sections summarize additional changes to DOE's engineering spreadsheet analysis as compared with the June 2014 final rule analysis.

a. Unit Coolers (Formerly Termed the ''Multiplex Condensing'' Class)

DOE's analysis of unit cooler test performance is based on the ''parallel rack system'' method of AHRI 1250–2009 (see section 7.9 of AHRI 1250–2009) for calculating unit cooler AWEF, which uses a prescribed multiplex system Energy Efficiency Ratio (''EER'') to calculate compressor energy use

[27] A virtual teardown uses the results from a physical teardown of a specific model and details obtained from product literature for a second model in order to develop manufacturing cost estimates for the second model.

based on unit cooler gross capacity, and also accounts for the energy use of the evaporator fan motor and, for low-temperature units, energy use associated with defrost.[28] These aspects of the analysis have not changed since the June 2014 final rule analysis. See Docket EERE–2008–BT–STD–0015, Final Rule Technical Support Document, No. 0131, Section 5.5.3, pp 5–20 to 5–27. DOE did, however, make a number of changes in response to input received during the WICF Working Group meetings.

First, DOE developed an analytical framework to represent field performance of unit coolers used in multiplex condensing applications using a system EER for R–407A developed during the WICF Working Group meeting discussions. (This change was made to account for the refrigerant shift brought about by the EPA SNAP rule.) Second, DOE adjusted its calculation of unit cooler net capacity using a correlation relating net capacity and nominal capacity developed based on test data. (This change was made to reflect test data obtained and reviewed primarily after publication of the June 2014 final rule.) Third, DOE revised the input assumption for refrigerant suction dew point. (This change was made to establish consistent input assumptions across the analyses conducted for the different classes associated with pressure drop in the suction line.) DOE received no comments on these aspects of the analysis in response to the September 2016 NOPR and has not changed them for this final rule.

b. Condensing Units/Dedicated Condensing Class

DOE made several changes to its prior analysis of dedicated condensing refrigeration systems. As mentioned in section IV.D.1, the analysis developed during the WICF Working Group meetings was based on condensing units tested and sold individually, *i.e.,* not as part of matched pairs including unit coolers. The as-tested analysis uses the nominal values for unit cooler fan and defrost energy use as prescribed in the DOE test procedure (as finalized in 10 CFR part 431, subpart R, appendix C, section 3.4.2.2 in the recent test procedure rulemaking, 81 FR at 95806 (December 28, 2016)). To analyze equipment using R–407A refrigerant, DOE used compressor coefficients for compressors operating with this refrigerant, and made changes in the analysis to account for the refrigerant's temperature glide. The revised analysis also assumed, in calculating refrigeration capacity for a condensing unit, that: (1) Pressure drop in the suction line is equivalent to a 2 °F reduction in dew point temperature;[29] (2) unit cooler exit superheat [30] is 6 °F for low-temperature unit coolers and 10 °F for medium-temperature unit coolers; and (3) the refrigerant temperature entering the condensing unit is 5 °F for low-temperature unit coolers and 41 °F for medium-temperature unit coolers. For the as-tested analysis, DOE assumed that there is no temperature drop in the liquid line after it exits from the condensing unit. The liquid line sub-cooling is assumed to be 8 °F in the field-representative analysis.

As described in section IV.D.4, for the 25,000 Btu/h representative capacity DOE considered both scroll and semi-hermetic compressors. DOE aggregated the analyses for the two compressors to create a single cost-efficiency curve for this representative capacity. See chapter 5 of the TSD for a more detailed explanation of how DOE aggregated the cost-efficiency curves for the compressor types.

DOE received no comments on these aspects of the analysis in response to the NOPR and has not changed them for this final rule.

c. Field-Representative Paired Dedicated Condensing Systems

As discussed in section IV.D.1, DOE based its as-tested engineering analysis for dedicated condensing systems on an evaluation of condensing units tested individually. DOE conducted a separate field-representative analysis that accounts for system operation when installed, which necessarily includes the performance of both the condensing unit and the unit cooler with which it is paired. The assumptions for this field-representative analysis differ in several ways from those of the as-tested analysis, including the refrigerant cooling in the liquid line, refrigerant pressure in the unit cooler (represented by unit cooler exit dew point), and unit cooler fan and defrost power. See chapter 5 of the TSD for more details of how DOE adjusted these assumption for field-representative analysis. DOE received no comments on these aspects of the analysis in response to the NOPR and has not changed them for this final rule.

d. Analysis Adjustment

As part of its final rule analysis, DOE adjusted its equipment performance calculations for condensing units to more fully account for the performance of the high-glide refrigerant R–407A. This methodology was discussed by the Working Group, but the analysis calculations were rerun for the final rule. Specifically, this adjustment affected the calculation of refrigerant enthalpy at the condenser exit, and resulted in an increase in the calculated refrigeration system net capacity for analyses involving dedicated condensing units. The adjustment led to a 0.1 to 0.11 Btu/W-h increase in the AWEF calculated for analyzed DC.L.O and DC.L.I dedicated condensing unit classes and increases in the capacity calculated for dedicated condensing systems in the field-representative analysis. The AWEF values reported in Table IV–2 in section IV.D.10 reflect this adjustment. DOE believes this approach is in-line with the methodology discussed in the Working Group, which recommended that the analysis be based on the use of R–407C refrigerant.

7. Baseline Specifications

Because there have not been any previous performance-based standards for the considered WICF refrigeration systems, there is no established baseline efficiency level for this equipment. DOE developed baseline specifications for the representative units in its analysis, described in section IV.D.4, by examining current manufacturer literature to determine which characteristics represented baseline equipment. DOE assumed that all baseline refrigeration systems comply with the current prescriptive standards in EPCA—namely, that each system satisfies the requirements that (1) evaporator fan motors of under 1 hp and less than 460 volts are electronically commutated motors (brushless direct current motors) and (2) walk-in condenser fan motors of under 1 hp are permanent split capacitor motors. (See section II.B for further details on current WICF standards.) Readers interested in more detailed baseline specifications for the analyzed representative systems should refer to chapter 5 of the TSD. DOE did not receive any comments regarding its baselines in response to the September 2016 NOPR.

8. Design Options

Section IV.C.4 lists technologies that passed the screening analysis and that DOE examined further as potential

[28] Gross capacity differs from net capacity in that it includes the evaporator fan heat.

[29] Compressor performance is generally provided by compressor vendors as a function of pressure levels represented as dew point temperatures—dew point is the temperature of saturated vapor refrigerant, at which any reduction refrigerant enthalpy would result in condensation of refrigerant as dew.

[30] Superheat of refrigerant vapor is equal to the actual temperature of the refrigerant minus the dew point associated with its pressure.

design options. DOE updated the analysis for several of these design options based on information received during the WICF Working Group meetings. DOE maintained its efficiency calculation assumptions in the June 2014 final rule analysis for improved condenser blades, evaporator fan blades and off-cycle evaporator fan control. The following sections summarize the revised treatment of specific design options as compared with the June 2014 final rule analysis. All design options are discussed in more detail in chapter 5 of the TSD. DOE did not receive comments about these analysis changes in response to the September 2016 NOPR and did not make any additional changes for the final rule analysis.

a. Higher Efficiency Compressors

In the June 2014 final rule analysis, DOE considered efficiency improvements associated with variable-speed compressors. DOE removed this option from consideration in the September 2016 NOPR analysis. 81 FR at 63003 (September 13, 2016). As discussed in section IV.D.1, DOE's analysis for the dedicated condensing unit classes was updated to reflect the testing and rating of condensing units alone rather than as part of matched pairs. The current test procedure does not include a method for assessing variable-capacity systems using the condenser-alone rating method. Hence, DOE did not consider variable-speed compressors as a design option in its analysis. This approach does not preclude manufacturers from designing and selling systems with multiple-capacity or variable-capacity compressors, but they would have to be tested and certified as matched-pair systems. DOE may consider this design option in a future rulemaking when the test procedure is modified to allow the testing of multiple-capacity or variable-capacity condensing units individually rather than as part of matched pairs. This test procedure change was part of the set of recommendations made by the WICF Working Group. (Docket No. EERE–2015–BT–STD–0016, Term Sheet: Recommendation #6 (December 15, 2015), No. 56 at p. 3)

b. Improved Condenser Coil

In its supporting analysis for the June 2014 final rule, DOE considered a design option for an improved condenser coil with more face area and heat transfer capacity than a baseline coil. DOE assumed that the coil would be sized to lower the condensing temperature by 10 °F based on DOE testing, input received from manufacturers during interviews, and analysis. Consequently, the analysis used a reduced power input and an increased cooling capacity for the compressor. See the June 2014 final rule TSD, chapter 5, pages 5–44 and 5–45 (Docket No. EERE–2008–BT–STD–0015, No. 0131). DOE revised its analysis for this design option during the WICF Working Group meetings based on input from the negotiating parties. This input included specific condensing unit performance and design details for DOE to consider as part of its analysis. DOE considered a new design approach that would result in a 5-degree condensing temperature reduction. Based in part on the data submitted by manufacturers on condenser coil sizing, (Docket No. EERE–2015–BT–STD–0016, Lennox, No. 30), DOE estimated that following this approach would require a 33 percent increase in airflow and 50 percent increase in total heat transfer area over the baseline. DOE incorporated the revised cost and energy characteristics of this option into the analysis. The assumptions associated with the improved condenser coil for both DC.L.I and DC.L.O analyses are discussed in more detail in section 5.5.8.2 of the TSD.

c. Floating Head Pressure

Floating head pressure is a type of refrigeration system control for outdoor condensing units that uses a lower condensing pressure set-point than conventional head pressure control, thus lowering the condensing pressure and improving compressor efficiency at low ambient temperatures. In its June 2014 final rule analysis, DOE analyzed two modes of operation for this option: floating head pressure with a standard thermostatic expansion valve (''TXV''), and floating head pressure with an electronic expansion valve (''EEV'')—the latter option allows for an even lower condensing pressure set-point compared to systems that do not use an EEV and was considered in the June 2014 final rule's analysis only for scroll compressors. See Docket EERE–2008–BT–STD–0015, Final Rule Technical Support Document, No. 0131, Section 5.5.6.10 pp. 5–52 to 5–53. In revising its current analysis in response to input received during the WICF Working Group meetings, DOE extended consideration of the second step in condensing pressure reduction to semi-hermetic compressors. DOE's modeling also more closely optimized the interaction among design options at the highest efficiency levels (*i.e.,* increasing the minimum head pressure from 125 psi to 135 psi at the lowest ambient temperature). The details of floating head pressure design option are discussed in more detail in section 5.5.8.8 of the final rule TSD.

9. Cost-Efficiency Curves

After determining the cost and energy savings attributed to each design option, DOE evaluates the design options in terms of their manufacturing cost-effectiveness: That is, the gain in as-tested AWEF that a manufacturer would obtain for implementing the design option on their equipment, versus the cost for using that option. For each representative unit listed in section IV.D.4, DOE calculates performance as measured using the test procedure efficiency metric, AWEF, and the manufacturing production cost (*i.e.,* MPC). When using a design-option analysis, DOE calculates these values first for the baseline efficiency and then for more-efficient designs that add design options in the order from the most cost-effective to the least cost-effective. The outcome of this design option ordering is called a ''cost-efficiency curve'' consisting of a set of manufacturing costs and AWEFs for each consecutive design option added in order of most to least cost-effective.

Table IV–2 and Table IV–3 show the AWEFs calculated in this manner. Additional detail is provided in Appendix 5A of the TSD, including graphs of the cost-efficiency curves and correlation of the design option groups considered with their corresponding AWEF levels.

TABLE IV–2—ENGINEERING ANALYSIS OUTPUT: CALCULATED AWEFS FOR DC CLASSES

Representative unit			As-Tested AWEF with each Design Option (DO) added*								
Equipment class	Nominal Btu/h	Compressor type		Base-line	DO 1	DO 2	DO 3	DO 4	DO 5	DO 6	DO 7
DC.L.I, < 6,500 Btu/h.	6,000	Scroll	DO		EC	CD2	CB2				
			AWEF	1.91	1.97	2.3	2.31				

TABLE IV–2—ENGINEERING ANALYSIS OUTPUT: CALCULATED AWEFS FOR DC CLASSES—Continued

Representative unit			As-Tested AWEF with each Design Option (DO) added*								
Equipment class	Nominal Btu/h	Compressor type		Base-line	DO 1	DO 2	DO 3	DO 4	DO 5	DO 6	DO 7
DC.L.I, ≥ 6,500 Btu/h.	9,000	Scroll	DO		EC	CD2	CB2				
			AWEF	2.09	2.14	2.48	2.49				
	25,000 **	Scroll, Semi-hermetic.	DO		EC	CD2	CB2				
			AWEF	2.02	2.06	2.4	2.41				
	54,000	Semi-hermetic.	DO		EC	CD2	CB2				
			AWEF	2.35	2.42	2.68	2.69				
DC.L.O, < 6,500 Btu/h.	6,000	Scroll	DO		FHP	EC	CB2	FHPEV	VSCF	CD2	ASC
			AWEF	2.22	2.57	2.66	2.67	2.87	3	3.09	3.12
DC.L.O, ≥ 6,500 Btu/h.	9,000	Scroll	DO		FHP	EC	FHPEV	CB2	VSCF	CD2	ASC
			AWEF	2.41	2.81	2.89	3.12	3.13	3.18	3.28	3.3
	25,000 **	Scroll, Semi-hermetic.	DO		FHP	EC	FHPEV	VSCF	CB2	ASC	CD2
			AWEF	2.31	2.7	2.77	2.98	3.05	3.05	3.08	3.16
	54,000	Semi-hermetic.	DO		FHP	FHPEV	EC	VSCF	ASC	CB2	CD2
			AWEF	2.6	2.92	3.07	3.16	3.24	3.27	3.27	3.29
	72,000	Semi-hermetic.	DO		FHP	FHPEV	EC	VSCF	ASC	CB2	CD2
			AWEF	2.59	2.9	3.08	3.16	3.25	3.28	3.28	3.29

* Design option abbreviations are as follows: ASC = Ambient sub-cooling; CB2 = Improved condenser fan blades; CD2 = Improved condenser coil; EC = Electronically commutated condenser fan motors; FHP = Floating head pressure; FHPEV = Floating head pressure with electronic expansion valve; VSCF = Variable speed condenser fans.

** As discussed in section IV.D.6.b, DOE aggregated the separate results for scroll and semi-hermetic compressors and created a single aggregated cost-efficiency curve in the engineering analysis for the 25,000 Btu/h nominal capacity.

TABLE IV–3—ENGINEERING ANALYSIS OUTPUT: CALCULATED AWEFS FOR UC CLASSES

Representative unit			As-tested AWEF with each design option (DO) added*			
Equipment class	Nominal Btu/h		Baseline	DO 1	DO 2	DO 3
UC.M	4,000	DO		MEF	EB2	VEF
		AWEF	6.45	7.75	7.91	9.02
	9,000	DO		MEF	EB2	VEF
		AWEF	7.46	8.74	8.89	9.92
	24,000	DO		MEF	VEF	EB2
		AWEF	8.57	9.74	10.64	10.75
UC.L, < 15,500 Btu/h	4,000	DO		EB2	MEF	VEF
		AWEF	3.43	3.47	3.58	3.66
	9,000	DO		MEF	EB2	VEF
		AWEF	3.75	3.86	3.88	3.95
UC.L, ≥ 15,500 Btu/h	18,000	DO		MEF	EB2	VEF
		AWEF	3.94	4.05	4.08	4.15
	40,000	DO		MEF	EB2	VEF
		AWEF	4.06	4.20	4.23	4.32

* Design option abbreviations are as follows: EB2 = Improved evaporator fan blades; MEF = Modulating evaporator fans during compressor off-cycle; VEF = Variable speed evaporator fans during compressor off cycle.

10. Engineering Efficiency Levels

DOE selects efficiency levels for each equipment class. These levels form the basis of the potential standard levels that DOE considers in its analysis. As discussed above, DOE conducted a design-option-based engineering analysis for this rulemaking, in which AWEFs were calculated for specific designs incorporating groups of design options. However, these design-option-based AWEFs vary as a function of representative capacity due to multiple factors and are not generally suitable as the basis for standard levels. Hence, DOE selected engineering efficiency levels (''ELs'') for each class that provide suitable candidate levels for consideration. The efficiency levels do not exactly match the calculated AWEFs at each representative capacity, but the candidate efficiency levels are meant to provide overall representation of the range of efficiencies calculated for the individual representative capacities.

The selected efficiency levels for the equipment classes analyzed for this document are shown in Table IV–4 below. DOE divided the dedicated condensing classes into the same two classes initially considered in the June 2014 final Rule, except that the classes proposed and presented here are split based on the calculated net capacity rather than the 9,000 Btu/h nominal capacity used in the June 2014 final Rule. For the medium-temperature and low-temperature unit cooler classes, where the initial analysis had a single class covering the entire capacity range, DOE proposed in the NOPR two classes for low-temperature unit coolers and one for medium-temperature (81 FR at 63006)—this approach has not changed for the final rule.

The maximum technologically feasible level is represented by EL 3 for all classes. DOE represented the

efficiency levels by either a single AWEF or an equation for the AWEF as a function of the net capacity. The efficiency levels for each class are formulated such that they divide the gap in efficiency between the baseline and the maximum technologically feasible efficiency level into approximately equal intervals. The baseline level is generally represented by the lowest AWEF achieved by any representative system in the class, while the maximum technologically feasible level is represented by the highest AWEF achieved by any representative system in the class, rounded down to the nearest 0.05 Btu per watt-hour (''Btu/W-h'') to account for uncertainty in the analysis.

TABLE IV–4—ENGINEERING EFFICIENCY LEVELS FOR EACH EQUIPMENT CLASS*

Equipment class	AWEF			
	Baseline	EL 1	EL 2	EL 3
Dedicated Condensing System—Low, Indoor with a Net Capacity (q_net) of:				
< 6,500 Btu/h	$5.030 \times 10^{-5} \times q_net + 1.59$.	$6.384 \times 10^{-5} \times q_net + 1.67$.	$7.737 \times 10^{-5} \times q_net + 1.74$.	$9.091 \times 10^{-5} \times q_net + 1.81$.
≥ 6,500 Btu/h	1.92	2.08	2.24	2.40.
Dedicated Condensing System—Low, Outdoor with a Net Capacity (q_net) of:				
< 6,500 Btu/h	$3.905 \times 10^{-5} \times q_net + 1.97$.	$4.778 \times 10^{-5} \times q_net + 2.22$.	$5.650 \times 10^{-5} \times q_net + 2.47$.	$6.522 \times 10^{-5} \times q_net + 2.73$.
≥ 6,500 Btu/h	2.22	2.53	2.84	3.15.
Unit Cooler—Medium				
All	6.45	7.3	8.15	9.
Unit Cooler—Low with a Net Capacity (q_net) of:				
< 15,500 Btu/h	$2.499 \times 10^{-5} \times q_net + 3.36$.	$2.191 \times 10^{-5} \times q_net + 3.54$.	$1.883 \times 10^{-5} \times q_net + 3.73$.	$1.575 \times 10^{-5} \times q_net + 3.91$.
≥ 15,500 Btu/h	3.75	3.88	4.02	4.15.

*Where q_net is net capacity as determined and certified pursuant to 10 CFR 431.304

DOE did not receive comments regarding the considered efficiency levels in response to the September 2016 NOPR and notes that the efficiency levels selected in this final rule remain the same as the efficiency levels presented in the NOPR. In the NOPR, DOE discussed two cases where the AWEFs for the maximum-technology EL 3 exceeds the maximum AWEF values as calculated in the design-option engineering analysis. 81 FR at 63006 (September 13, 2016).

The first of these cases involved lower-capacity, low-temperature unit coolers. As discussed in the NOPR (81 FR at 63006–63007), DOE believes that the selected EL 3 is technologically feasible given the uncertainty in the analysis, and the fact that the industry negotiating parties explicitly agreed to a standard at this level during Working Group meetings. (See Docket No. EERE–2015–BT–STD–0016, AHRI, Public Meeting Transcript (December 15, 2015), No. 60 at pp. 229–230) DOE received no comments in response to the September 2016 NOPR objecting to this proposed efficiency level.

The second case involved indoor and outdoor dedicated condensing units at representative nominal capacity of 25,000 Btu/h. As discussed in the NOPR, the AWEF associated with EL 3 for these classes can be achieved for this capacity using semi-hermetic compressors. 81 FR at 63006–63007 (September 13, 2016). DOE also notes that with its now-adjusted dedicated condensing unit analysis described in section IV.D.6.d, the analysis demonstrates that the EL 3 AWEF is achievable with scroll compressors for the 25,000 Btu/h nominal capacity. As noted earlier, the AWEFs calculated in the design-option-based analysis vary as a function of representative capacity due to multiple factors and are not generally suitable as the basis for standard levels, and the selected engineering ELs for each class provide suitable candidate levels for consideration. The efficiency levels do not exactly match the calculated AWEFs at each representative capacity, but are instead meant to provide an overall representation of the range of efficiencies calculated for the individual representative capacities. While AWEF values calculated in the NOPR analysis for the 25,000 Btu/h dedicated condensing classes did not attain the TSL 3 AWEF, the values are consistent with TSL 3 in the current analysis, which DOE believes to be more appropriate for this max-tech TSL. Consequently, in DOE's view, the analysis for this second case shows that the adjusted analysis results in a more appropriate alignment of the engineering analysis with the selected ELs.

E. Markups Analysis

The markups analysis develops appropriate markups (*e.g.,* retailer markups, distributor markups, contractor markups) in the distribution chain and sales taxes to convert the MSP estimates derived in the engineering analysis to consumer prices, which are then used in the LCC and PBP analysis and in the manufacturer impact analysis. At each step in the distribution channel, companies mark up the price of equipment to cover business costs and profit margin.

For this final rule, DOE retained the distribution channels that were used in the NOPR—(1) direct to customer sales, through national accounts or contractors; (2) refrigeration wholesalers to consumers; and (3) OEMs to consumers. The OEM channel primarily represents manufacturers of WICF refrigeration systems who may also install and sell entire WICF refrigeration units.

For each of the channels, DOE developed separate markups for baseline equipment (baseline markups) and the incremental cost of more-efficient equipment (incremental markups). Incremental markups are coefficients that relate the change in the MSP of higher-efficiency models to the change in the retailer sales price. DOE relied on data from the U.S. Census Bureau, the Heating, Air-conditioning & Refrigeration Distributors International (''HARDI'') industry trade group, and RSMeans [31] to estimate average baseline and incremental markups

Chapter 6 of the final rule TSD provides details on DOE's development of markups for the considered WICF refrigeration systems.

[31] R.S. Means Company, Inc. *RSMeans Mechanical Cost Data.* 33rd edition. 2015. Kingston, MA.

F. Energy Use Analysis

The purpose of the energy use analysis is to determine the annual energy consumption of the considered WICF refrigeration systems at different efficiencies in representative U.S. installations, and to assess the energy savings potential of increased WICF refrigeration system efficiency. The energy use analysis estimates the range of energy use of the considered WICF refrigeration systems in the field (*i.e.,* as they are actually used by consumers). The energy use analysis provides the basis for other analyses DOE performed, particularly assessments of the energy savings and the savings in consumer operating costs that could result from adopting amended or new standards.

The estimates for the annual energy consumption of each analyzed representative refrigeration system (see section IV.D.4) were derived assuming that (1) the refrigeration system is sized such that it follows a specific daily duty cycle for a given number of hours per day at full-rated capacity and (2) the refrigeration system produces no additional refrigeration effect for the remaining period of the 24-hour cycle. These assumptions are consistent with the present industry practice for sizing refrigeration systems. This methodology assumes that the refrigeration system is correctly paired with an envelope that generates a load profile such that the rated hourly capacity of the paired refrigeration system, operated for the given number of run hours per day, produces sufficient refrigeration to meet the daily refrigeration load of the envelope with a safety margin to meet contingency situations. Thus, the annual energy consumption estimates for the refrigeration system depend on the methodology adopted for sizing, the implied assumptions and the extent of oversizing.

The WICF equipment run-time hours that DOE used broadly follow the load profile assumptions of the industry test procedure for refrigeration systems—AHRI 1250–2009. As noted earlier, that protocol was incorporated into DOE's test procedure. 76 FR 33631 (June 9, 2011). For the NOPR analysis, DOE used a nominal run-time of 16 hours per day for coolers and 18 hours per day for freezers over a 24-hour period to calculate the capacity of a ''perfectly''-sized refrigeration system at specified reference ambient temperatures of 95 °F and 90 °F for refrigeration systems with outdoor and indoor condensing units, respectively. (Docket No. EERE–2015–BT–STD–0016, various parties, Public Meeting Transcript (October 1, 2015), No. 68 at p. 9) Nominal run-time hours for coolers and freezers were adjusted to account for equipment over-sizing safety margin and capacity mismatch factors. They were further adjusted to account for the change in net capacity from increased efficiency projected to occur in the standards case. Additionally, in the case of outdoor condensing equipment, run-time hours were further adjusted based on the typical variations in ambient temperatures for each of the 9 Census Divisions, not the single point 95 °F reference temperature specified in AHRI–1250–2009. For indoor condensing equipment, DOE estimated run-time hours in the no-new-standards, and standards cases based on the steady-state design point ambient temperature of 90 °F specified in AHRI–1250–2009. DOE notes that indoor condensing equipment may be subject to ambient temperatures that are higher, or lower than the design point temperature of 90 °F. To the extent that this occurs, it would be expected to result in some increasing or lowering of consumer opening costs savings in relation to changes in indoor ambient temperature from the results presented in section V.B.1.a. The WICF equipment run-time hours that DOE used broadly follow the load profile assumptions of the industry test procedure for refrigeration systems—AHRI 1250–2009—which is incorporated into DOE's test procedure. See 10 CFR 431.303 and 431.304. As in the NOPR analysis, DOE maintained its use of nominal run-times of 16 hours per day for coolers and 18 hours per day for freezers over a 24-hour period to calculate the capacity of a ''perfectly''-sized refrigeration system at specified reference ambient temperatures of 95 °F and 90 °F for refrigeration systems with outdoor and indoor condensing units, respectively. See generally, Docket No. EERE–2015–BT–STD–0016, DOE, Public Meeting Transcript (October 1, 2015), No. 68 at pp. 9–13) Nominal run-time hours for coolers and freezers were adjusted to account for equipment over-sizing safety margin and capacity mismatch factors. They were further adjusted to account for the change in net capacity from increased efficiency projected to occur in the standards case, and, in the case of outdoor equipment, variations in ambient temperature. The energy use calculation is discussed in greater detail in chapter 7 of the TSD.

1. Oversize Factors

During the Working Group negotiations, Rheem indicated that the typical and widespread industry practice for sizing the refrigeration system is to calculate the daily heat load on the basis of a 24-hour cycle and divide by 16 hours of run-time for coolers and 18 hours of run-time for freezers. In the field, WICF refrigeration systems are sized to account for a ''worst case scenario'' need for refrigeration to prevent food spoilage, and as such are oversized by a safety margin. (Docket No. EERE–2015–BT–STD–0016, Rheem, Public Meeting Transcript (October 1, 2015), No. 68 at pp. 12, 14) Based on discussions with purchasers of WICF refrigeration systems, DOE found that it is customary in the industry to add a 10 percent safety margin to the aggregate 24-hour load, resulting in 10 percent oversizing of the refrigeration system. The use of this 10 percent oversizing of the refrigeration system was presented to the Working Group and accepted without objection and incorporated into the analyses for the NOPR and the final rule. (Docket No. EERE–2015–BT–STD–0016, various parties, Public Meeting Transcript (October 1, 2015), No. 68 at pp. 8–16)

Further, DOE recognized that an exact match for the calculated refrigeration system capacity may not be available for the refrigeration systems available in the market because most refrigeration systems are produced in discrete capacities. To account for this situation, DOE used the same approach as in the June 2014 final rule. Namely, DOE applied a capacity mismatch factor of 10 percent to capture the inability to perfectly match the calculated WICF capacity with the capacity available in the market. This approach was presented to the Working Group and accepted without objection and incorporated into both the NOPR final rule analyses. (Docket No. EERE–2015–BT–STD–0016, various parties, Public Meeting Transcript (October 1, 2015), No. 68 at pp. 8, 18)

The combined safety margin factor and capacity mismatch factor result in a total oversizing factor of 1.2. With the oversize factor applied, the run-time of the refrigeration system is reduced to 13.3 hours per day for coolers and 15 hours per day for freezers at full design point capacity. These calculations are described in detail in chapter 7 of the final rule TSD.

2. Net Capacity Adjustment Factors

In this final rule, as in the NOPR and June 2014 final rule, DOE assumed that the heat loads to which WICF refrigeration systems are connected remain constant in the no-new-standards and standards cases. To account for changes in the net capacity of more efficient designs in the standard cases, DOE adjusted the run-time hours

as part of its supporting analyses. See 81 FR at 63008; 79 FR at 32083.

3. Temperature Adjustment Factors

In this final rule, as in the NOPR and June 2014 final rule, DOE assumed that indoor WICF refrigeration systems are operated at a steady-state with an ambient temperature of 90 °F. See 81 FR at 63008; 79 FR at 32083. For these equipment classes, the run-time hours are only adjusted by the change in steady-state capacity as efficiency increases. (Docket No. EERE–2015–BT–STD–0016, various parties, Public Meeting Transcript (October 1, 2015), No. 68 at p. 23)

In this final rule, as in the NOPR, DOE assumed outdoor WICF refrigeration system run-times to be a function of external ambient temperature. 81 FR at 63008 (September 13, 2016). DOE adjusted the run-time hours for outdoor WICF refrigeration systems to account for the dependence of the steady-state capacity on external ambient temperature. External ambient temperatures were determined as regional histograms of annual weighted hourly temperatures. For these equipment, the run-time hours are adjusted by the fraction of heat load that would be removed at each temperature bin of the regional histogram. (Docket No. EERE–2015–BT–STD–0016, various parties, Public Meeting Transcript (October 1, 2015), No. 68 at pp. 33–35)

These adjusted run-times were presented to the Working Group in detail for indoor and outdoor dedicated condensing equipment classes. (Docket No. EERE–2015–BT–STD–0016, various parties, Public Meeting Transcript (November 20, 2015), No. 66 at pp. 111–119) After reviewing DOE's run-time estimates, the CA IOUs, confirmed the reasonableness of DOE's estimates. (Docket No. EERE–2015–BT–STD–0016, CA IOUs, Public Meeting Transcript (November 4, 2015), No. 65 at p. 190)

Chapter 7 of the final rule TSD provides details on DOE's energy use analysis for the considered WICF refrigeration systems.

G. Life-Cycle Cost and Payback Period Analysis

DOE conducted LCC and PBP analyses to evaluate the economic impacts on individual consumers of potential energy conservation standards for the considered WICF refrigeration systems. The effect of energy conservation standards on individual consumers usually involves a reduction in operating cost and an increase in purchase cost. DOE used the following two metrics to measure consumer impacts:

- The LCC (life-cycle cost) is the total consumer expense of an appliance or equipment over the life of that equipment, consisting of total installed cost (manufacturer selling price, distribution chain markups, sales tax, and installation costs) plus operating costs (expenses for energy use, maintenance, and repair). To compute the operating costs, DOE discounts future operating costs to the time of purchase and sums them over the lifetime of the equipment.
- The payback period is the estimated amount of time (in years) it takes consumers to recover the increased purchase cost (including installation) of more-efficient equipment through lower operating costs. DOE calculates the PBP by dividing the change in purchase cost at higher efficiency levels by the change in annual operating cost for the year that amended or new standards are assumed to take effect.

For any given efficiency level, DOE measures the change in LCC relative to the LCC in the no-new-standards case, which reflects the estimated efficiency distribution of the considered equipment in the absence of new or amended energy conservation standards. In contrast, the PBP for a given efficiency level is measured relative to the baseline equipment.

For each considered efficiency level in each equipment class, DOE calculated the LCC and PBP for a nationally representative set of WICF refrigeration systems. DOE used shipments data submitted by AHRI to develop its sample. (Docket No. EERE–2015–BT–STD–0016, DOE, Public Meeting Transcript (November 3, 2015), No. 64 at pp. 150) The sample weights how the various WICF refrigeration system types and capacities are distributed over different commercial sub-sectors, geographic regions, and configurations of how the equipment is sold (either as a separate unit cooler, a separate condensing unit, or as a combined unit cooler and condensing unit pair matched at the time of installation). For each of these WICF refrigeration systems, DOE determined the energy consumption and the appropriate electricity price, enabling DOE to capture variations in WICF refrigeration system energy consumption and energy pricing.

Inputs to the calculation of total installed cost include the cost of the equipment—which includes MSPs, manufacturer markups, retailer and distributor markups, and sales taxes—and installation costs. Inputs to the calculation of operating expenses include annual energy consumption, energy prices and price projections, repair and maintenance costs, equipment lifetimes, and discount rates. DOE created distributions of values for equipment lifetime, discount rates, and sales taxes, with probabilities attached to each value, to account for their uncertainty and variability.

The computer model DOE uses to calculate the LCC and PBP relies on a Monte Carlo simulation to incorporate uncertainty and variability into the analysis. The Monte Carlo simulations randomly sample input values from the probability distributions and WICF consumer sample. The model calculated the LCC and PBP for equipment at each efficiency level for 5,000 consumers per simulation run.

DOE calculated the LCC and PBP for all consumers of the considered WICF refrigeration systems as if each consumer were to purchase new equipment in the expected first full year of required compliance with the standards. As discussed in section III.F, DOE currently anticipates a compliance date in early 2020 for the WICF refrigeration systems under consideration.

Table IV–5 summarizes the approach and data DOE used to derive inputs to the LCC and PBP calculations. The subsections that follow provide further discussion. Details of the spreadsheet model, and of all the inputs to the LCC and PBP analyses, are contained in chapter 8 of the final rule TSD and its appendices.

TABLE IV–5—SUMMARY OF INPUTS AND METHODS FOR THE LCC AND PBP ANALYSIS*

Inputs	Source/method
Equipment Cost	Derived by multiplying MSPs by retailer markups and sales tax, as appropriate. Used historical data to derive a price scaling index to forecast equipment costs.
Installation Costs	Baseline installation cost determined with data from RS Means. Assumed no change with efficiency level.

TABLE IV–5—SUMMARY OF INPUTS AND METHODS FOR THE LCC AND PBP ANALYSIS*—Continued

Inputs	Source/method
Annual Energy Use	The total annual energy use multiplied by the hours per year. Average number of hours based on field data. Variability: Based on the stakeholder submitted data.
Energy Prices	Electricity: Average and marginal prices derived from EIA and Edison Electric Institute (''EEI'') data.
Energy Price Trends	Based on *AEO2016 No-CPP case* price projections.
Repair and Maintenance Costs	Assumed no change with efficiency level.
Product Lifetime	Assumed average lifetime of 12 years.
Discount Rates	Approach involves identifying all possible debt or asset classes that might be used to purchase WICFs. Primary data source was the Damodaran Online.
Compliance Date	2020.

* References for the data sources mentioned in this table are provided in the sections following the table or in chapter 8 of the final rule TSD.

1. System Boundaries

As discussed in section IV.D.6, participants during the Working Group meetings stated that the vast majority of WICF refrigeration equipment are sold as stand-alone components and installed either as a complete system in the field (field-paired) or as replacement components—*i.e.,* to replace either the unit cooler (''UC-only'') or condensing unit (''CU-only''). AHRI provided data to the Working Group indicating that over 90 percent of these WICF refrigeration equipment components are sold as stand-alone equipment with the remaining sold as manufacturer matched pairs (Docket No. EERE–2015–BT–STD–0016, AHRI, No. 29). These data stand in contrast to the June 2014 final rule, where DOE assumed in its analysis that all equipment was sold as manufacturer-matched pairs. Further, section III.B of this document DOE's May 2014 test procedure update that specified that in instances where a complete walk-in refrigeration system consists of a unit cooler and condensing unit sourced from separate manufacturers, each manufacturer is responsible for ensuring the compliance of its respective units. See 79 FR at 27391. Based on the current market situation, the LCC analysis separately estimates the costs and benefits for equipment under the following system configuration scenarios: field-paired systems,[32] condensing unit-only,[33] and unit cooler only.[34]

a. Field-Paired

Under the field-paired system configuration, DOE assumes that the unit cooler and condensing unit are purchased as stand-alone pieces of equipment and paired together in the field. Field-paired results were estimated for dedicated condensing, low-temperature equipment classes only, which include dedicated condensing, low-temperature outdoor (DC.L.O) and dedicated condensing, low-temperature indoor (DC.L.I) equipment classes. Medium-temperature dedicated condensing equipment classes were not analyzed as field-paired equipment because these condensing units fall outside the scope of this final rule's analysis. (These units are already addressed by the June 2014 final rule.) Also, unit coolers used in multiplex condensing applications were not analyzed as field-paired equipment because the scope of these equipment classes only covers the unit cooler portion of the walk-in system.

b. Condensing Unit-Only

Under the condensing unit-only system configuration, DOE assumes that the condensing unit is purchased as a stand-alone piece of equipment and installed with a pre-existing baseline unit cooler. Condensing unit-only results were estimated for low-temperature, dedicated condensing equipment classes only, which includes DC.L.O and DC.L.I equipment classes.

c. Unit Cooler Only

Under the unit cooler-only system configuration, DOE assumes that the unit cooler is purchased as a stand-alone piece of equipment and installed with a pre-existing baseline condensing unit. Unit cooler-only results were estimated for all low-temperature condensing equipment classes (DC.L.O, DC.L.I, and UC.L). For the medium-temperature unit coolers belonging to the UC.M equipment class, DOE estimated the impact of unit cooler design options on multiplex applications (referred to as UC.M in the tables) and on applications where the unit cooler is installed with a pre-existing medium -temperature dedicated condensing unit. For the medium-temperature dedicated applications, DOE assumed that the condensing unit meets the standards adopted in the June 2014 final rule. In the tables contained in this document, the installations with a pre-existing medium-temperature dedicated condensing unit are referred to as UC.M–DC.M.I application and UC.M–DC.M.O applications.

As discussed in section III.B, DOE established a rating method for individually sold walk-in refrigeration system components. Unit coolers sold alone are tested and rated using the AWEF calculation procedure for a walk-in unit cooler matched to a parallel rack system (see section 7.9 of AHRI 1250–2009). Similarly, condensing units sold alone are tested and rated with the dedicated condensing system test. DOE reflected this approach by aggregating unit cooler-only results within the low- and medium-temperature unit cooler equipment classes. The low-temperature unit cooler equipment class (UC.L) is an aggregation of results of all unit coolers attached to DC.L.O, DC.L.I, and low-temperature multiplex condensing systems. The medium-temperature unit cooler equipment class (UC.M) is an aggregation of results of all unit coolers in all application types.

d. System Boundary and Equipment Class Weights

Within each equipment class, DOE examined several different nominal capacities (see section IV.D.4). The life-cycle costs and benefits for each of these capacities was weighted in the results for each equipment class shown in section V based on the respective market share of each equipment class and capacity in the customer sample mentioned above. The system boundaries and customer sample

[32] Paired dedicated systems are described in section IV.D.6.c.

[33] Condensing units are described in section IV.D.6.b.

[34] Unit coolers are described in section IV.D.6.a.

weights (based on share of total sales of the considered WICF refrigeration equipment) are shown in Table IV–6.

TABLE IV–6—SYSTEM BOUNDARIES AND CUSTOMER SAMPLE WEIGHTS

Equipment class application	Reported as equipment class	Capacity (kBtu/h)	System boundary	Weight (%)
DC.L.I	DC.L.I	6	CU-Only	1.2
DC.L.I	DC.L.I	9	CU-Only	0.4
DC.L.I	DC.L.I	25	CU-Only	0.1
DC.L.I	DC.L.I	54	CU-Only	0.0
DC.L.O	DC.L.O	6	CU-Only	0.6
DC.L.O	DC.L.O	9	CU-Only	1.1
DC.L.O	DC.L.O	25	CU-Only	0.4
DC.L.O	DC.L.O	54	CU-Only	0.1
DC.L.O	DC.L.O	72	CU-Only	0.1
DC.L.I	DC.L.I	6	Field-Paired	5.4
DC.L.I	DC.L.I	9	Field-Paired	2.0
DC.L.I	DC.L.I	25	Field-Paired	0.6
DC.L.I	DC.L.I	54	Field-Paired	0.2
DC.L.O	DC.L.O	6	Field-Paired	2.9
DC.L.O	DC.L.O	9	Field-Paired	5.1
DC.L.O	DC.L.O	25	Field-Paired	1.7
DC.L.O	DC.L.O	54	Field-Paired	0.3
DC.L.O	DC.L.O	72	Field-Paired	0.4
DC.L.I	UC.L	6	UC-Only	1.2
DC.L.I	UC.L	9	UC-Only	0.4
DC.L.I	UC.L	25	UC-Only	0.1
DC.L.I	UC.L	54	UC-Only	0.0
DC.L.O	UC.L	6	UC-Only	0.6
DC.L.O	UC.L	9	UC-Only	1.1
DC.L.O	UC.L	25	UC-Only	0.4
DC.L.O	UC.L	54	UC-Only	0.1
DC.L.O	UC.L	72	UC-Only	0.1
UC.M—DC.M.I	UC.M	9	UC-Only	15.5
UC.M—DC.M.I	UC.M	24	UC-Only	4.6
UC.M—DC.M.O	UC.M	9	UC-Only	24.0
UC.M—DC.M.O	UC.M	24	UC-Only	11.7
MC.L	UC.L	4	UC-Only	0.8
MC.L	UC.L	9	UC-Only	3.0
MC.L	UC.L	18	UC-Only	2.0
MC.L	UC.L	40	UC-Only	0.7
MC.M	UC.M	4	UC-Only	1.4
MC.M	UC.M	9	UC-Only	7.9
MC.M	UC.M	24	UC-Only	2.0

2. Equipment Cost

To calculate consumer equipment costs, DOE multiplied the MPCs developed in the engineering analysis by the markups described earlier (along with sales taxes). DOE used different markups for baseline equipment and higher-efficiency equipment because DOE applies an incremental markup to the increase in MSP associated with higher-efficiency equipment.

To develop an equipment price trend for WICFs, DOE derived an inflation-adjusted index of the producer price index (''PPI'') for commercial refrigerators and related equipment from 1978 to 2014.[35] These data, which represent the closest approximation to the refrigeration equipment at issue in this rule, indicate no clear trend, showing increases and decreases over time. Because the observed data do not provide a firm basis for projecting future price trends for WICF refrigeration equipment, DOE used a constant price assumption as the default trend to project future WICF refrigeration system prices. Thus, prices projected for the LCC and PBP analysis are equal to the 2015 values for each efficiency level in each equipment class.

3. Installation Cost

Installation cost includes labor, overhead, and any miscellaneous materials and parts needed to install the equipment. DOE used data from *RS Means Mechanical Cost Data 2015*[36] to estimate the baseline installation cost for WICF refrigeration systems. Installation costs associated with hot gas defrost design options for low-temperature dedicated condensing and multiplex condensing equipment were discussed at length during the Working Group meetings. (Docket No. EERE–2015–BT–STD–0016, various parties, Public Meeting Transcript (October 1, 2015), No. 68 at p. 54; Docket No. EERE–2015–BT–STD–0016, various parties, Public Meeting Transcript (October 15, 2015), No. 62 at pp. 36–37, 49–50, 187)

However, the Working Group recommended that DOE remove from the test procedure the method for calculating the energy use and thermal load associated with hot gas defrost (Docket No. EERE–2015–BT–STD–0016, Term Sheet: Recommendation #3 (December 15, 2015), No. 56 at p. 2) This method did not require any testing of defrost, using instead a calculation that includes standardized values associated with both electricity use and thermal load associated with hot gas defrost—the method gave a significantly

[35] Bureau of Labor Statistics, *Producer Price Index Industry Data,* Series: PCU3334153334153.

[36] Reed Construction Data, RSMeans Mechanical Cost Data 2015 Book, 2015.

better AWEF rating for a refrigeration system with hot gas defrost than for systems with electric defrost, in effect representing a ''credit'' for this feature. The credit recognized the reduced electrical usage but, in the absence of a means to account for the energy consumption stemming from the use of the hot gas defrost system itself, industry representatives argued that, in their view, the credit did not provide a completely accurate picture with respect to energy consumption. Consequently, in light of these concerns, in addition to making the corresponding changes to the test procedure, DOE also removed hot gas defrost as a design option from its standards analysis, as discussed in section VI.B.2. For this final rule, as in the NOPR, DOE maintained that while installation costs may increase with equipment capacity, they are not affected by an increase in efficiency and were therefore not considered. See 81 FR at 63009, 63011. Installation costs are discussed in detail in chapter 8 of the final rule TSD.

4. Annual Energy Use

DOE typically considers the impact of a rebound effect in its energy use calculation. A rebound effect occurs when users operate higher efficiency equipment more frequently and/or for longer durations, thus offsetting estimated energy savings. DOE did not incorporate a rebound factor for WICF refrigeration equipment because it is operated 24 hours a day, and therefore there is limited potential for a rebound effect. Additionally, DOE requested comment from the Working Group if there was any evidence contradicting DOE's assumption to not incorporate a rebound factor, (Docket No. EERE–2015–BT–STD–0016, DOE, Public Meeting Transcript (November 20, 2015), No. 66 at pp. 92) to which Hussmann responded that DOE's assumption was reasonable. (Docket No. EERE–2015–BT–STD–0016, Hussmann, Public Meeting Transcript (November 20, 2015), No. 66 at pp. 92) Further, ASAP and Lennox responded in agreement with DOE's assumption to not incorporate a rebound factor in its NOPR. (Docket No. EERE–2015–BT–STD–0016, ASAP, Public Meeting Transcript (September 29, 2016), No. 79 at p. 23; Docket No. EERE–2015–BT–STD–0016, Lennox No. 89 at p. 7) In light of these comments, DOE maintained the same assumptions on rebound effect in this final rule.

For each sampled WICF refrigeration system, DOE determined the energy consumption at different efficiency levels using the approach described in section IV.D.10.

5. Energy Pricing and Projections

DOE derived regional marginal non-residential (*i.e.,* commercial and industrial) electricity prices using data from EIA's Form EIA–861 database (based on the agency's ''Annual Electric Power Industry Report''),[37] EEI Typical Bills and Average Rates Reports,[38] and information from utility tariffs for each of nine (9) geographic U.S. Census Divisions.[39] Electricity tariffs for non-residential consumers generally incorporate demand charges. The presence of demand charges means that two consumers with the same monthly electricity consumption may have very different bills, depending on their peak demand. DOE maintained its approach from the NOPR analysis for the final rule, and derived marginal electricity prices to estimate the impact of demand charges for consumers of WICF refrigeration systems. The methodology used to calculate the marginal electricity rates can be found in appendix 8A of the final rule TSD.

To estimate energy prices in future years, DOE multiplied the average and marginal regional electricity prices by the forecast of annual change in national-average commercial electricity pricing in the Reference case described on p.E–8 in *AEO 2016,*[40] which has an end year of 2040. To estimate price trends after 2040, DOE used the average annual rate of change in prices from 2020 to 2040.

6. Maintenance and Repair Costs

Repair costs are associated with repairing or replacing equipment components that have failed in an appliance. Industry participants from the Working Group indicated that maintenance and repair costs do not change with increased WICF refrigeration system efficiency. (Docket No. EERE–2015–BT–STD–0016, various parties, Public Meeting Transcript (October 15, 2015), No. 62 at pp. 38, 53) As in the NOPR, DOE did not include these costs in the final rule.

7. Equipment Lifetime

For this analysis, DOE continued to use an estimated average lifetime of 10.5 years for the WICF refrigeration systems examined in this rulemaking, with a minimum and maximum of 2 and 25 years, respectively, used in the June 2014 final rule. 79 FR at 32086 (June 3, 2014). DOE reflects the uncertainty of equipment lifetimes in the LCC analysis for equipment components by using probability distributions. DOE presented this assumption at the NOPR public meeting and invited comment. DOE received no comments on its estimated WICF refrigeration system lifetimes. (Docket No. EERE–2015–BT–STD–0016, DOE, Public Meeting Presentation (September 29, 2016), No. 78 at p. 29)

8. Discount Rates

In calculating the LCC, DOE applies discount rates to estimate the present value of future operating costs to the consumers of WICF refrigeration systems. DOE derived the discount rates for both the NOPR and final rule analyses by estimating the average cost of capital for a large number of companies similar to those that would likely to purchase WICF refrigeration systems. This approach resulted in a distribution of potential consumer discount rates from which DOE sampled in the LCC analysis. Most companies use both debt and equity capital to fund investments, so their cost of capital is the weighted average of the cost to the company of equity and debt financing.

DOE estimated the cost of equity financing by using the Capital Asset Pricing Model (''CAPM'').[41] The CAPM assumes that the cost of equity is proportional to the amount of systematic risk associated with a company. Data for deriving the cost of equity and debt financing primarily came from Damodaran Online, which is a widely used source of information about company debt and equity financing for most types of firms.[42]

[37] Available at: *www.eia.doe.gov/cneaf/electricity/page/eia861.html.*

[38] Edison Electric Institute. *Typical Bills and Average Rates Report.* Winter 2014 published April 2014, Summer 2014 published October 2014: Washington, D.C. (Last accessed June 2, 2015.) *www.eei.org/resourcesandmedia/products/Pages/Products.aspx.*

[39] U.S. Census Bureau, Census Divisions and Census Regions *www.census.gov/geo/reference/gtc/gtc_census_divreg.html* (Last accessed February 2, 2016)

[40] EIA. *Annual Energy Outlook 2016 with Projections to 2040.* Washington, DC. Available at *www.eia.gov/forecasts/aeo/.* The standards finalized in this rulemaking will take effect a few years prior to the 2022 commencement of the Clean Power Plan compliance requirements. As DOE has not modeled the effect of CPP during the 30 year analysis period of this rulemaking, there is some uncertainty as to the magnitude and overall effect of the energy efficiency standards. These energy efficiency standards are expected to put downward pressure on energy prices relative to the projections in the AEO 2016 case that incorporates the CPP. Consequently, DOE used the electricity price projections found in the AEO 2016 No-CPP case as these electricity price projections are expected to be lower, yielding more conservative estimates for consumer savings due to the energy efficiency standards.

[41] Harris, R.S. *Applying the Capital Asset Pricing Model.* UVA–F–1456. Available at SSRN: *http://ssrn.com/abstract=909893.*

[42] Damodaran Online, *The Data Page: Cost of Capital by Industry Sector,* (2004–2013) (Available at: *http://pages.stern.nyu.edu/~adamodar/*).

More details regarding DOE's estimates of consumer discount rates are provided in chapter 8 of the final rule TSD.

9. Energy Efficiency Distribution in the No-New-Standards Case

To accurately estimate the share of consumers that would be affected by a potential energy conservation standard at a particular efficiency level, DOE's LCC analysis considered the projected distribution (market shares) of equipment efficiencies under the no-new-standards case (*i.e.,* the case without amended or new energy conservation standards). In the case of WICF refrigeration systems, DOE was unable to find usable data on the distribution of efficiencies in the market, nor was information offered by participants during the Working Group meetings. For this analysis, DOE continued to assume, as it did for the NOPR analysis, that 100 percent of WICF refrigeration equipment is at the baseline efficiency level in the no-new-standards case. (Docket No. EERE–2015–BT–STD–0016, DOE, Public Meeting (October 1, 2015), No. 068 at pp. 53–54) DOE presented this assumption at the NOPR public meeting and invited comment. DOE received no comments on its efficiency distribution assumption in the no-new-standards case. (Docket No. EERE–2015–BT–STD–0016, DOE, Public Meeting Presentation (September 29, 2016), No. 78 at p. 29)

10. Payback Period (PBP) Analysis

The PBP is the amount of time it takes the consumer to recover the additional installed cost of more-efficient products, compared to baseline products, through energy cost savings. PBPs are expressed in years and those that exceed the life of the product mean that the increased total installed cost is not recovered in reduced operating expenses.

The inputs to the PBP calculation for each efficiency level are the change in total installed cost of the product and the change in the first-year annual operating expenditures relative to the baseline. The PBP calculation uses the same inputs as the LCC analysis, except that discount rates are not needed because the calculation is based only on the first-year annual operating expenditures.

As noted above, EPCA, as amended, establishes a rebuttable presumption that a standard is economically justified if the Secretary finds that the additional cost to the consumer of purchasing a product complying with an energy conservation standard level will be less than three times the value of the first year's energy savings resulting from the standard, as calculated under the applicable test procedure. (42 U.S.C. 6295(o)(2)(B)(iii) and 6316(a)) For each considered efficiency level, DOE determined the value of the first year's energy savings by calculating the energy savings in accordance with the applicable DOE test procedure, and multiplying those savings by the average energy price projection for the year in which compliance with the standards would be required.

H. Shipments Analysis

DOE uses forecasts of annual equipment shipments to calculate the national impacts of the energy conservation standards on energy use, NPV, and future manufacturer cash-flows.[43] The shipments model takes an accounting approach, tracking the vintage of units in the stock and market shares of each equipment class. The model uses equipment shipments as inputs to estimate the age distribution of in-service equipment stocks for all years. The age distribution of in-service equipment stocks is a key input to calculations of both the NES and NPV, because operating costs for any year depend on the age distribution of the stock.

In DOE's shipments model, shipments of the considered WICF refrigeration systems are driven by new purchases and stock replacements due to failures. Equipment failure rates are related to equipment lifetimes described in section IV.G.7. New equipment purchases are driven by growth in commercial floor space.

DOE initialized its stock and shipments model based on shipments data provided by stakeholders during the Working Group meetings. These data showed that for low-temperature, dedicated condensing equipment classes, 5 percent of shipments are manufacturer-matched condensing units and unit coolers, and the remaining 95 percent is sold as individual condensing units or unit coolers that installers then match in the field. (Docket No. EERE–2015–BT–STD–0016, various parties, Public Meeting Transcript (November 3, 2015), No. 64 at p. 120; Docket No. EERE–2015–BT–STD–0016, various parties, Public Meeting Transcript (November 20, 2015), No. 66 at pp. 83–84) For medium and low-temperature unit coolers, 82 percent are paired with dedicated condensing systems, and the remaining 18 percent are paired with multiplex systems; 70 percent of unit coolers are medium-temperature, and 30 percent are low-temperature. (Docket No. EERE–2015–BT–STD–0016, various parties, Public Meeting Transcript (November 4, 2015), No. 65 at p. 117)

As with the NOPR and the June 2014 final rule, DOE assumed in this analysis that shipments of new equipment would increase over time at the same rate of growth as commercial floor space projected in *AEO 2016.* As presented to the Working Group, DOE took this approach because data on historic trends in market shares of WICF equipment classes and capacities were lacking. Because of this limitation, DOE assumed that the share of shipments for each equipment class and capacity would remain constant over time. (Docket No. EERE–2015–BT–STD–0016, Public Meeting Presentation (November 20, 2015), No. 42, at p. 24)

DOE recognizes that an increase in equipment price resulting from energy conservation standards may affect end-user decisions regarding whether to purchase new WICF equipment. However, DOE has not found any information in existing literature, or provided by stakeholders, that indicates that there is a price elasticity for WICFs. As in the June 2014 final rule, NOPR, and as presented at the NOPR public meeting, similar to other commercial refrigeration equipment, DOE assumed that WICF equipment is a necessity for food safety, storage and business operations. Because of this assumption, DOE concluded that the demand for WICF equipment is inelastic and assumed an elasticity of zero for this analysis.[44] (79 FR 32050; 81 FR 62979; Docket No. EERE–2015–BT–STD–0016, Public Meeting Presentation (November 20, 2015), No. 42, at pp. 27–38) DOE did not receive any comments suggesting that there should be a price elasticity for the considered WICF equipment applied to its previous analysis—either in response to the proposal or during the Working Group negotiations.

I. National Impact Analysis

The NIA assesses the national energy savings (''NES'') and the national net present value (''NPV'') from a national perspective of total consumer costs and savings that would be expected to result from new or amended standards at specific efficiency levels.[45] (''Consumer'' in this context refers to consumers of the product being regulated.) DOE calculates the NES and

[43] DOE uses data on manufacturer shipments as a proxy for national sales, as aggregate data on sales are not readily available for DOE to examine. In general, one would expect a close correspondence between shipments and sales in light of their direct relationship with each other.

[44] See: Zero Zone, Inc., *et al.*, v. *United States Department of Energy*, et al., 832 F.3d 654 (7th Cir. 2016).

[45] The NIA accounts for impacts in the 50 states and U.S. territories.

NPV for the potential standard levels considered based on projections of annual product shipments, along with the annual energy consumption and total installed cost data from the energy use and LCC analyses.[46] For the present analysis, DOE projected the energy savings, operating cost savings, product costs, and NPV of consumer benefits over the lifetime of WICF refrigeration systems sold from 2020 through 2049.

DOE evaluates the impacts of standards by comparing a case without such standards with standards-case projections. The no-new-standards case characterizes energy use and consumer costs for each equipment class in the absence of energy conservation standards. For this projection, DOE considers historical trends in efficiency and various forces that are likely to affect the mix of efficiencies over time. DOE compares the no-new-standards case with projections characterizing the market for each equipment class if DOE adopted new or amended standards at specific energy efficiency levels (*i.e.,* the TSLs or standards cases) for that class. For the standards cases, DOE considers how a given standard would likely affect the market shares of equipment with efficiencies greater than the standard.

DOE uses a spreadsheet model to calculate the energy savings and the national consumer costs and savings from each TSL. Interested parties can review DOE's analyses by changing various input quantities within the spreadsheet. The NIA spreadsheet model uses typical values (as opposed to probability distributions) as inputs.

Table IV–7 summarizes the inputs and methods DOE used for the NIA analysis for the final rule. Discussion of these inputs and methods follows the table. See chapter 10 of the final rule TSD for further details.

TABLE IV–7—SUMMARY OF INPUTS AND METHODS FOR THE NATIONAL IMPACT ANALYSIS

Inputs	Method
Shipments	Annual shipments from shipments model.
Compliance Date of Standard	2020
Efficiency Trends	No-new-standards case: none. Standards cases: none.
Annual Energy Consumption per Unit	Annual weighted-average values are a function of energy use at each TSL.
Total Installed Cost per Unit	Does not change with efficiency level. Incorporates projection of future equipment prices based on historical data.
Annual Energy Cost per Unit	Annual weighted-average values as a function of the annual energy consumption per unit and energy prices.
Repair and Maintenance Cost per Unit	Annual values do not change with efficiency level.
Energy Prices	*AEO2016 no-CPP case price forecasts (to 2040) and extrapolation through 2050.*
Energy Site-to-Primary and FFC Conversion	Site-to-Primary: A time-series conversion factor based on *AEO 2016.* FFC: Utilizes data and projections published in *AEO 2016.*
Discount Rate	Three and seven percent.
Present Year	2016.

1. Equipment Efficiency Trends

For the standards cases, DOE used a ''roll-up'' scenario to establish the shipment-weighted efficiency for the year that standards are assumed to become effective (2020). In this scenario, the market of products in the no-new-standards case that do not meet the standard under consideration would ''roll up'' to meet the new standard level, and the market share of products above the standard would remain unchanged.

Because data on trends in efficiency for the considered WICF refrigeration systems are lacking, DOE took a conservative approach and assumed that no change in efficiency would occur over the shipments projection period in the no-new-standards case. (Docket No. EERE–2015–BT–STD–0016, various parties, Public Meeting Transcript (November 20, 2015), No. 66 at pp. 83–84)

2. National Energy Savings

The NES analysis involves a comparison of national energy consumption of the considered products between each potential standards case (TSL) and the case with no new or amended energy conservation standards. DOE calculated the national energy consumption by multiplying the number of units (stock) of each product (by vintage or age) by the unit energy consumption (also by vintage). DOE calculated annual NES based on the difference in national energy consumption for the no-new-standards case and for each higher efficiency standard case. DOE estimated energy consumption and savings based on site energy and converted the electricity consumption and savings to primary energy (*i.e.,* the energy consumed by power plants to generate site electricity) using annual conversion factors derived from *AEO 2016.* Cumulative energy savings are the sum of the NES for each year over the timeframe of the analysis.

In 2011, in response to the recommendations of a committee on ''Point-of-Use and Full-Fuel-Cycle Measurement Approaches to Energy Efficiency Standards'' appointed by the National Academy of Sciences, DOE announced its intention to use full-fuel-cycle (''FFC'') measures of energy use and greenhouse gas and other emissions in the national impact analyses and emissions analyses included in future energy conservation standards rulemakings. 76 FR 51281 (August 18, 2011). After evaluating the approaches discussed in that document, DOE published a statement of amended policy in which DOE explained its determination that EIA's National Energy Modeling System (''NEMS'') is the most appropriate tool for its FFC analysis and its intention to use NEMS for that purpose. 77 FR 49701 (August 17, 2012). NEMS is a public domain, multi-sector, partial equilibrium model of the U.S. energy sector[47] that EIA uses to prepare its *Annual Energy Outlook.* The FFC factors incorporate losses in production and delivery in the case of natural gas (including fugitive emissions) and additional energy used to produce and deliver the various fuels used by power plants. The approach used for deriving FFC measures of

[46] For the NIA, DOE adjusts the installed cost data from the LCC analysis to exclude sales tax, which is a transfer.

[47] For more information on NEMS, refer to *The National Energy Modeling System: An Overview 2009,* DOE/EIA–0581(2009), October 2009. Available at *www.eia.gov/forecasts/aeo/index.cfm.*

energy use and emissions is described in appendix 10A of the final rule TSD.

3. Net Present Value Analysis

The inputs for determining the NPV of the total costs and benefits experienced by consumers are (1) total annual installed cost, (2) total annual operating costs (energy costs and repair and maintenance costs), and (3) a discount factor to calculate the present value of costs and savings. DOE calculates net savings each year as the difference between the no-new-standards case and each standards case in terms of total savings in operating costs versus total increases in installed costs. DOE calculates operating cost savings over the lifetime of each product shipped during the projection period.

As discussed in section IV.F.1 of this final rule, DOE used a constant price trend for WICF refrigeration systems. DOE applied the same trend to forecast prices for each equipment class at each considered efficiency level. DOE's projection of equipment prices is discussed in appendix 10B of the final rule TSD.

To evaluate the effect of uncertainty regarding the price trend estimates, DOE investigated the impact of different equipment price forecasts on the consumer NPV for the considered TSLs for the considered WICF refrigeration systems. In addition to the default price trend, DOE considered one equipment price sensitivity case in which prices increase and one in which prices decrease. The derivation of these price trends and the results of the sensitivity cases are described in appendix 10B of the final rule TSD.

The operating cost savings are energy cost savings, which are calculated using the estimated energy savings in each year and the projected price of the appropriate form of energy. To estimate energy prices in future years, DOE multiplied the average regional energy prices by a projection of annual national-average commercial energy price changes consistent with the cases described on page E–8 in AEO 2016,[48] which has an end year of 2040. To estimate price trends after 2040, DOE used the average annual rate of change in prices from 2020 through 2040. As part of the NIA, DOE also analyzed scenarios that used inputs from variants of the *AEO 2016* case that have lower and higher economic growth. Those cases have lower and higher energy price trends and the NIA results based on these cases are presented in appendix 10B of the final rule TSD.

In calculating the NPV, DOE multiplies the net savings in future years by a discount factor to determine their present value. For this final rule, DOE estimated the NPV of consumer benefits using both a 3-percent and a 7-percent real discount rate. DOE uses these discount rates in accordance with guidance provided by the Office of Management and Budget (''OMB'') to Federal agencies on the development of regulatory analysis.[49] The discount rates for the determination of NPV are in contrast to the discount rates used in the LCC analysis, which are designed to reflect a consumer's perspective. The 7-percent real value is an estimate of the average before-tax rate of return to private capital in the U.S. economy. The 3-percent real value represents the ''social rate of time preference,'' which is the rate at which society discounts future consumption flows to their present value.

J. Consumer Subgroup Analysis

In analyzing the potential impact of the new or amended standards on commercial consumers, DOE evaluates the impact on identifiable groups (*i.e.,* subgroups) of consumers that may be disproportionately affected. Small businesses typically face a higher cost of capital, which could make it more likely that they would be disadvantaged by a requirement to purchase higher efficiency equipment.

DOE estimated the impacts on the small business customer subgroup using the LCC model. To account for a higher cost of capital, the discount rate was increased by applying a small firm premium to the cost of capital.[50] In addition, electricity prices associated with different types of small businesses were used in the subgroup analysis.[51] Apart from these changes, all other inputs for the subgroup analysis are the same as those in the LCC analysis. Details of the data used for the subgroup analysis and results are presented in chapter 11 of the final rule TSD.

K. Manufacturer Impact Analysis

1. Definition of Manufacturer

A manufacturer of a walk-in is any person who: (1) Manufactures a component of a walk-in cooler or walk-in freezer that affects energy consumption, including, but not limited to, refrigeration, doors, lights, windows, or walls; or (2) manufactures or assembles the complete walk-in cooler or walk-in freezer. 10 CFR 431.302. DOE requires a manufacturer of a walk-in component to certify the compliance of the components it manufactures. This document establishes energy conservation standards for seven classes of refrigeration equipment that are components of complete walk-in coolers and walk-in freezers. DOE provides a qualitative and quantitative analysis on the potential impacts of the adopted rule on the affected WICF refrigeration manufacturers. The results are presented in section V.B.2. This document does not set new or amended energy conservation standards in terms of the performance of the complete walk-in cooler or walk-in freezer and does not create new burdens on manufacturers who assemble the complete walk-in cooler or freezer. DOE provides a qualitative review of the potential impacts on those manufacturers that assemble complete walk-ins in section V.B.2.e.

2. Overview

DOE performed an MIA to estimate the financial impacts of energy conservation standards on manufacturers of the seven WICF refrigeration system equipment classes being analyzed. The MIA also has qualitative aspects and seeks to determine how energy conservation standards might affect competition, production capacity, and overall cumulative regulatory burden for manufacturers. Finally, the MIA serves to identify any disproportionate impacts on manufacturer subgroups, including small business manufacturers.

The quantitative part of the MIA primarily relies on the Government Regulatory Impact Model (*i.e.,* GRIM), an industry cash-flow model with inputs specific to this rulemaking. The key GRIM inputs include data on the industry cost structure, unit production costs, equipment shipments, manufacturer markups, and investments

[48] U.S. Department of Energy–Energy Information Administration. Annual Energy Outlook 2016 with Projections to 2040. Washington, DC. Available at *www.eia.gov/forecasts/aeo/.* The standards finalized in this rulemaking will take effect a few years prior to the 2022 commencement of the Clean Power Plan compliance requirements. As DOE has not modeled the effect of CPP during the 30 year analysis period of this rulemaking, there is some uncertainty as to the magnitude and overall effect of the energy efficiency standards. These energy efficiency standards are expected to put downward pressure on energy prices relative to the projections in the AEO 2016 case that incorporates the CPP. Consequently, DOE used the electricity price projections found in the AEO 2016 No-CPP case as these electricity price projections are expected to be lower, yielding more conservative estimates for consumer savings due to the energy efficiency standards projections in the AEO 2016 CPP case.

[49] United States Office of Management and Budget. *Circular A–4: Regulatory Analysis.* September 17, 2003. Section E. Available at *www.whitehouse.gov/omb/memoranda/m03–21.html.*

[50] See chapter 8 of the final TSD for a more detailed discussion of discount rates.

[51] Small businesses tend to face higher electricity prices than the average WICF users.

in R&D and manufacturing capital required to produce compliant equipment. The key GRIM outputs are the INPV, which is the sum of industry annual cash-flows over the analysis period, discounted using the industry-weighted average cost of capital, and the impact to domestic manufacturing employment. The model uses standard accounting principles to estimate the impacts of more-stringent energy conservation standards on a given industry by comparing changes in INPV between a no-new-standards case and the various trial standards cases (TSLs). To capture the uncertainty relating to manufacturer pricing strategy following the adoption of standards, the GRIM estimates a range of possible impacts under two markup scenarios. DOE notes that the INPV estimated by the GRIM is reflective of industry value derived from the seven equipment classes being analyzed. The model does not capture the revenue from equipment falling outside the scope of this rulemaking.

The qualitative part of the MIA addresses manufacturer characteristics and market trends. Specifically, the MIA considers such factors as a potential standard's impact on manufacturing capacity, competition within the industry, and the cumulative impact of other Federal regulations. The complete MIA is outlined in chapter 12 of the final rule TSD.

DOE conducted the MIA for this rulemaking in three phases. In phase 1, DOE prepared an industry characterization based on the market and technology assessment and publicly available information. In Phase 2 of the MIA, DOE prepared an industry cash-flow analysis to quantify the impacts of an energy conservation standard on manufacturers of WICF refrigeration systems. In general, more-stringent energy conservation standards can affect manufacturer cash-flow in three distinct ways: (1) By creating a need for increased investment; (2) by raising production costs per unit; and (3) by altering revenue due to higher per-unit prices and possible changes in sales volumes. In Phase 3 of the MIA, DOE used information from the Working Group negotiations to update key inputs to GRIM to better reflect the industry. Updates include changes to the engineering inputs and shipments model.

As part of Phase 3, DOE also evaluated subgroups of manufacturers that may be disproportionately impacted by the adopted standards or that may not be accurately represented by the average cost assumptions used to develop the industry cash-flow analysis. Such manufacturer subgroups may include small business manufacturers, low-volume manufacturers, niche players, and/or manufacturers exhibiting a cost structure that largely differs from the industry average. DOE identified one manufacturer subgroup for which average cost assumptions may not hold: Small businesses.

To identify small businesses for this analysis, DOE applied the size standards published by the Small Business Administration (''SBA'') to determine whether a company is considered a small business. (65 FR 30840, 30848 (May 15, 2000), as amended at 65 FR 53533, 53544 (September 5, 2000); and codified at 13 CFR part 121.) To be categorized as a small business manufacturer of WICF refrigeration systems under North American Industry Classification System (''NAICS'') code 333415 (''Air-Conditioning and Warm Air Heating Equipment and Commercial and Industrial Refrigeration Equipment Manufacturing''), a WICF refrigeration systems manufacturer and its affiliates may employ a maximum of 1,250 employees. The 1,250-employee threshold includes all employees in a business' parent company and any other subsidiaries. Using this classification in conjunction with a search of industry databases and the SBA member directory, DOE identified three manufacturers of WICF refrigeration systems that qualify as small businesses.

The WICF refrigeration systems manufacturer subgroup analysis for the seven analyzed equipment classes is discussed in greater detail in chapter 12 of the final rule TSD and in section VI.B of this document.

3. Government Regulatory Impact Model and Key Inputs

DOE uses the GRIM to quantify the changes in cash-flows over time due to new or amended energy conservation standards. These changes in cash-flows result in either a higher or lower INPV for the standards case compared to the no-new standards case. The GRIM analysis uses a standard annual cash-flow analysis that incorporates MPCs, manufacturer markups, shipments, and industry financial information as inputs. It then models changes in MPCs, investments, and manufacturer margins that may result from analyzed energy conservation standards. The GRIM uses these inputs to calculate a series of annual cash-flows beginning with the reference year of the analysis, 2016, and continuing to 2049. Annual cash-flows are discounted to the reference year using a discount rate of 10.2 percent. DOE then computes INPV by summing the stream of discounted annual cash-flows during the analysis period. The GRIM analysis focuses on manufacturer impacts with respect to the seven covered refrigeration equipment classes. The major GRIM inputs are described in detail in the following sections.

a. Manufacturer Production Costs

Manufacturing higher-efficiency equipment is typically more expensive than manufacturing baseline equipment due to the use of more complex and expensive components. The increases in the MPCs of the analyzed equipment can affect the revenues, gross margins, and cash-flow of the industry, making these equipment costs key inputs for the GRIM and the MIA.

In the MIA, DOE used the MPCs and shipping costs calculated in the engineering analysis, as described in section IV.D and further detailed in chapter 5 of this final rule TSD. DOE used information from its teardown analysis, described in section IV.D.5 to disaggregate the MPCs into material, labor, and overhead costs. To calculate the MPCs for equipment above the baseline, DOE added incremental material, labor, overhead costs from the engineering cost-efficiency curves to the baseline MPCs. These cost breakdowns and equipment markups were validated with manufacturers during manufacturer interviews conducted for the June 2014 final rule and further revised based on additional feedback from the Working Group.

b. Shipment Scenarios

The GRIM estimates manufacturer revenues based on total unit shipment forecasts and the distribution of shipments by equipment class. For the no-new standards case analysis, the GRIM uses the NIA shipment forecasts from 2016, the base year for the MIA analysis, to 2049, the final year of the analysis period. For the standards case shipment forecast, the GRIM uses the NIA standards case shipment forecasts. The NIA assumes zero elasticity in demand. With no elasticity, the total number of shipments per year in the standards case is equal to the total shipments per year in the no-new standards case. DOE assumed that equipment efficiencies in the no-new standards case that did not meet the standard under consideration would ''roll up'' to meet the new standard in the compliance year. Section IV.G and in chapter 9 of the TSD provide further details about the shipment scenarios.

c. Capital and Product Conversion Costs

New energy conservation standards will cause manufacturers to incur conversion costs to bring their production facilities and equipment

designs into compliance. For the MIA, DOE classified these conversion costs into two major groups: (1) Product conversion costs and (2) capital conversion costs. Product conversion costs are investments in research, development, testing, marketing, and other non-capitalized costs necessary to make equipment designs comply with a new or amended energy conservation standard. Capital conversion costs are investments in property, plant, and equipment necessary to adapt or change existing production facilities such that new equipment designs can be fabricated and assembled.

To evaluate the level of conversion costs the industry would likely incur to comply with energy conservation standards, DOE used the data gathered in support of the June 2014 final rule. 79 FR at 32091 (June 3, 2014). The supporting data relied on manufacturer comments and information derived from the equipment teardown analysis and engineering model. DOE also incorporated feedback received during the ASRAC negotiations, which included updated conversion costs to better reflect changes in the test procedure, design options and design option ordering, the dollar year, and the competitive landscape for walk-in refrigeration systems. Finally, DOE incorporated analysis from the WICF test procedure final rule to estimate the costs associated with testing and labeling.

In general, the analysis assumes that all conversion-related investments occur between the year of publication of the final rule and the year by which manufacturers must comply with a new or amended standard. The investment figures used in the GRIM can be found in Table IV–8 of this document. For additional information on the estimated product conversion and capital conversion costs, see chapter 12 of the final rule TSD.

TABLE IV–8—INDUSTRY PRODUCT AND CAPITAL CONVERSION COSTS PER TRIAL STANDARD LEVEL

	Trial standard level		
	1	2	3
Product Conversion Costs (2015$ MM)	3.0	6.0	14.0
Capital Conversion Costs (2015$ MM)	0.3	1.1	4.7

Capital conversion costs are driven by investments related to larger condenser coils. DOE estimated that four manufacturers produce their own condenser coils, which requires an estimated total investment of $1.0 million per manufacturer. The remainder of the capital conversion costs is attributed to the ambient sub-cooling design option.

DOE's engineering analysis suggests that many efficiency levels can be reached through the incorporation of more efficient components. Many of these changes are component swaps that do not require extensive R&D or redesign. DOE estimated product conversion costs of $20,000 per manufacturer per equipment class for component swaps. For improved evaporator fan blades, additional R&D effort may be required to account for proper airflow within the cabinet and across the heat exchanger. DOE estimates product conversion costs to be $50,000 per manufacturer per equipment class. Chapter 12 of the final rule TSD provides further details on the methodology that was used to estimate conversion costs.

d. Testing and Labeling Costs

In the test procedure final rule, DOE added a labeling requirement for WICF refrigeration systems. 81 FR at 95803 (December 28, 2016). As part of that rule's analysis, DOE accounted for the burdens manufacturers would incur to update their marketing materials in the product conversion cost estimates. Marketing materials include literature, data sheets, selection software, sales training, and compliance documentation. In the test procedure final rule, DOE estimated that manufacturers would incur product conversion costs of $50,000 per manufacturer to update marketing materials for WICF refrigeration systems. Based on a total of ten manufacturers, DOE included industry labeling costs of $0.5 million in product conversion costs for all TSLs.

DOE also included testing costs that manufacturers would incur as a result of the test procedure for WICF refrigeration systems. DOE allows manufacturers to use alternative efficiency determination methods (''AEDMs'') to determine representative values of efficiency. AEDMs must be validated with tested performance of at least two distinct basic models for each equipment classes. *See* 10 CFR 429.70. DOE estimates that testing costs are $7,500 per basic model. Using this estimate, the cost to validate AEDMs for seven equipment classes totals $105,000 per manufacturer.

In addition, DOE included the costs to run AEDMs. Based on DOE's Compliance Certification Management System (''CCMS'') Web site, refrigeration manufacturers have up to 100 WICF refrigeration models. DOE estimates it takes an estimated 3 hours per model for a mechanical engineer to run an AEDM model. Using an average hourly wage for a mechanical engineer in 2015 of $42.40,[52] the costs to run AEDMs are $12,720 per manufacturer. In summary, testing costs are estimated to be $1.2 million, and labeling costs are $0.5 million for the WICF refrigeration industry.

e. Manufacturer Markup Scenarios

As discussed above, MSPs include direct manufacturing production costs (*i.e.,* labor, material, and overhead estimated in DOE's MPCs) and all non-production costs (*i.e.,* SG&A, R&D, and interest), along with profit. To calculate the MSPs in the GRIM, DOE applied manufacturer markups to the MPCs estimated in the engineering analysis and then added the cost of shipping. Modifying these manufacturer markups in the standards case yields different sets of impacts on manufacturers. For the MIA, DOE modeled two standards-case manufacturer markup scenarios to represent the uncertainty regarding the potential impacts on prices and profitability for manufacturers following the implementation of new or amended energy conservation standards: (1) A preservation of gross margin percentage markup scenario and (2) a preservation of operating profit markup scenario. These scenarios lead to different manufacturer markup values that, when applied to the inputted MPCs, result in varying revenue and cash-flow impacts. These manufacturer markup scenarios were presented during the NOPR public meeting and DOE received no additional comment on them. (Public Meeting Transcript (September 29, 2016), No. 79 at pp. 40–41) DOE further notes that these markup scenarios are consistent

[52] *www.bls.gov/oes/current/oes172141.htm.*

with the scenarios modeled in the June 2014 final rule for walk-ins.

Under the preservation of gross margin percentage scenario, DOE applied a single uniform ''gross margin percentage'' markup across all efficiency levels. As production costs increase with efficiency, this scenario implies that the absolute dollar markup will increase as well. Based on publicly-available financial information for walk-in manufacturers, submitted comments, and information obtained during manufacturer interviews from the June 2014 final rule, DOE assumed the non-production cost markup—which includes SG&A expenses, R&D expenses, interest, and profit—to be 1.35. The manufacturer markup of 1.35 was presented during the NOPR public meeting and DOE received no additional comments. Public Meeting Transcript (September 29, 2016), No. 79 at pp. 40–41) Manufacturers have indicated that it would be optimistic for DOE to assume that, as manufacturer production costs increase in response to an energy conservation standard, manufacturers would be able to maintain the same gross margin percentage markup. Therefore, DOE assumes that this scenario represents a high bound to industry profitability under an energy conservation standard.

The preservation of operating profit markup scenario assumes that manufacturers are able to maintain only the no-new standards case total operating profit in absolute dollars in the standards cases, despite higher equipment costs and investment. The no-new standards case total operating profit is derived from marking up the cost of goods sold for each equipment by the preservation of gross margin markup. In the standards cases for the preservation of operating profit markup scenario, DOE adjusted the WICF manufacturer markups in the GRIM at each TSL to yield approximately the same earnings before interest and taxes in the standards cases in the year after the compliance date of the adopted WICF refrigeration system standards as in the no-new standards case. Under this scenario, while manufacturers are not able to yield additional operating profit from higher production costs and the investments that are required to comply with the adopted WICF refrigeration system energy conservation standards, they are able to maintain the same operating profit in the standards case that was earned in the no-new standards case.

4. Discussion of Comments

As part of the court settlement reached in *Lennox Int'l* v. *Dep't of Energy,* DOE agreed to consider any comments regarding any potential impacts of the standards on installers and to consider and substantively address any potential impacts of the standards on installers in its MIA. See *Lennox Int'l* v. *Dep't of Energy,* Case No. 14–60535, Joint Settlement Motion (filed July 29, 2015) (5th Cir.). During the Working Group meetings, walk-in installers were represented by ACCA. As part of DOE's attempt to consider and address any potential installer impacts, the NOPR specifically sought comment on any conversion costs and stranded assets that walk-in installers might incur. See 81 FR at 63033 and 63048–63049 (detailing specific issues on which DOE sought input regarding potential installer-related impacts to the proposed rule).

Stakeholders raised one issue related to installers and the possibility of stranded assets. AHRI and Rheem noted that installers of complete walk-ins may have stranded assets if they are required to use components that are compliant at the time of the complete walk-in assembly. AHRI added that compliant components may not be available to installers until the compliance date of the new standards, leading to equipment availability constraints. (AHRI No. 90 at p. 3; Rheem No. 91 at p. 3)

DOE addresses this comment and clarifies the compliance date for manufacturers of complete walk-ins in section III.F.

L. Emissions Analysis

The emissions analysis consists of two components. The first component estimates the effect of potential energy conservation standards on power sector and site (where applicable) combustion emissions of CO_2, NO_X, SO_2, and Hg. The second component estimates the impacts of potential standards on emissions of two additional greenhouse gases, CH_4 and N_2O, as well as the reductions to emissions of all species due to ''upstream'' activities in the fuel production chain. These upstream activities comprise extraction, processing, and transporting fuels to the site of combustion. The associated emissions are referred to as upstream emissions.

The analysis of power sector emissions uses marginal emissions factors that were derived from data in *AEO 2016,* as described in section IV.N. Details of the methodology are described in the appendices to chapters 13 and 15 of the final rule TSD.

Combustion emissions of CH_4 and N_2O are estimated using emissions intensity factors published by the EPA—GHG Emissions Factors Hub.[53] The FFC upstream emissions are estimated based on the methodology described in chapter 15 of the final rule TSD. The upstream emissions include both emissions from fuel combustion during extraction, processing, and transportation of fuel, and ''fugitive'' emissions (direct leakage to the atmosphere) of CH_4 and CO_2.

The emissions intensity factors are expressed in terms of physical units per MWh or MMBtu of site energy savings. Total emissions reductions are estimated using the energy savings calculated in the national impact analysis.

For CH_4 and N_2O, DOE calculated emissions reduction in tons and also in terms of units of CO_2-equivalent (CO_2eq). Emissions of CH_4 and N_2O are often converted to CO_2eq by multiplying each ton of gas by the gas' global warming potential (''GWP'') over a 100-year time horizon. Based on the Fifth Assessment Report of the Intergovernmental Panel on Climate Change,[54] DOE used GWP values of 28 for CH_4 and 265 for N_2O.

The *AEO* incorporates the projected impacts of existing air quality regulations on emissions. *AEO 2016* generally represents current legislation and environmental regulations, including recent government actions, for which implementing regulations were available as of February 29, 2016. DOE's estimation of impacts accounts for the presence of the emissions control programs discussed in the following paragraphs.

SO_2 emissions from affected electric generating units (''EGUs'') are subject to nationwide and regional emissions cap-and-trade programs. Title IV of the Clean Air Act sets an annual emissions cap on SO_2 for affected EGUs in the 48 contiguous States and the District of Columbia (DC). (42 U.S.C. 7651 *et seq.*) SO_2 emissions from 28 eastern States and DC were also limited under the Clean Air Interstate Rule (CAIR). 70 FR 25162 (May 12, 2005). CAIR created an allowance-based trading program that operates along with the Title IV program. In 2008, CAIR was remanded

[53] Available at: *www2.epa.gov/climateleadership/center-corporate-climate-leadership-ghg-emission-factors-hub.*

[54] Intergovernmental Panel on Climate Change. Anthropogenic and Natural Radiative Forcing. In *Climate Change 2013: The Physical Science Basis. Contribution of Working Group I to the Fifth Assessment Report of the Intergovernmental Panel on Climate Change.* Chapter 8. 2013. Stocker, T.F., D. Qin, G.-K. Plattner, M. Tignor, S.K. Allen, J. Boschung, A. Nauels, Y. Xia, V. Bex, and P.M. Midgley, Editors. Cambridge University Press: Cambridge, United Kingdom and New York, NY, USA.

to EPA by the U.S. Court of Appeals for the District of Columbia Circuit, but it remained in effect.[55] In 2011, EPA issued a replacement for CAIR, the Cross-State Air Pollution Rule (''CSAPR''). 76 FR 48208 (August 8, 2011). On August 21, 2012, the D.C. Circuit issued a decision to vacate CSAPR,[56] and the court ordered EPA to continue administering CAIR. On April 29, 2014, the U.S. Supreme Court reversed the judgment of the D.C. Circuit and remanded the case for further proceedings consistent with the Supreme Court's opinion.[57] On October 23, 2014, the D.C. Circuit lifted the stay of CSAPR.[58] Pursuant to this action, CSAPR went into effect (and CAIR ceased to be in effect) as of January 1, 2015.[59] *AEO 2016* incorporates implementation of CSAPR.

The attainment of emissions caps is typically flexible among EGUs and is enforced through the use of emissions allowances and tradable permits. Under existing EPA regulations, any excess SO_2 emissions allowances resulting from the lower electricity demand caused by the adoption of an efficiency standard could be used to permit offsetting increases in SO_2 emissions by any regulated EGU. In past years, DOE recognized that there was uncertainty about the effects of efficiency standards on SO_2 emissions covered by the existing cap-and-trade system, but it concluded that negligible reductions in power sector SO_2 emissions would occur as a result of standards.

Beginning in 2016, however, SO_2 emissions will fall as a result of the Mercury and Air Toxics Standards (''MATS'') for power plants. 77 FR 9304 (February 16, 2012). In the MATS final rule, EPA established a standard for hydrogen chloride as a surrogate for acid gas hazardous air pollutants (''HAP''), and also established a standard for SO_2 (a non-HAP acid gas) as an alternative equivalent surrogate standard for acid gas HAP. The same controls are used to reduce HAP and non-HAP acid gas; thus, SO_2 emissions will be reduced as a result of the control technologies installed on coal-fired power plants to comply with the MATS requirements for acid gas. *AEO 2016* assumes that, in order to continue operating, coal plants must have either flue gas desulfurization or dry sorbent injection systems installed by 2016. Both technologies, which are used to reduce acid gas emissions, also reduce SO_2 emissions. Under the MATS, emissions will be far below the cap established by CAIR, so it is unlikely that excess SO_2 emissions allowances resulting from the lower electricity demand would be needed or used to permit offsetting increases in SO_2 emissions by any regulated EGU.[60] Therefore, DOE believes that energy conservation standards that decrease electricity generation will generally reduce SO_2 emissions in 2016 and beyond.

CSAPR established a cap on NO_X emissions in 28 eastern States and the District of Columbia. Energy conservation standards are expected to have little effect on NO_X emissions in those States covered by CSAPR because excess NO_X emissions allowances resulting from the lower electricity demand could be used to permit offsetting increases in NO_X emissions from other facilities. However, standards would be expected to reduce NO_X emissions in the States not affected by the caps, so DOE estimated NO_X emissions reductions from the standards considered in this final rule for these States.

The MATS limit mercury emissions from power plants, but they do not include emissions caps and, as such, DOE's energy conservation standards would likely reduce Hg emissions. DOE estimated mercury emissions reduction using emissions factors based on *AEO 2016,* which incorporates the MATS.

The *AEO2016* Reference case (and some other cases) assumes implementation of the Clean Power Plan (CPP), which is the EPA program to regulate CO_2 emissions at existing fossil-fired electric power plants.[61] DOE used the *AEO2016* No-CPP case as a basis for developing emissions factors for the electric power sector to be consistent with its use of the No-CPP case in the NIA.[62]

M. Monetizing Carbon Dioxide and Other Emissions Impacts

As part of the development of this rule, DOE considered the estimated monetary benefits from the reduced emissions of CO_2, CH_4, N_2O and NO_X that are expected to result from each of the TSLs considered. In order to make this calculation analogous to the calculation of the NPV of consumer benefit, DOE considered the reduced emissions expected to result over the lifetime of products shipped in the projection period for each TSL. This section summarizes the basis for the values used for monetizing the emissions benefits and presents the values considered in this final rule.

1. Social Cost of Carbon

The SC–CO_2 is an estimate of the monetized damages associated with an incremental increase in carbon emissions in a given year. It is intended to include (but is not limited to) climate-change-related changes in net agricultural productivity, human health, property damages from increased flood risk, and the value of ecosystem services. Estimates of the SC–CO_2 are provided in dollars per metric ton of CO_2. A domestic SC–CO_2 value is meant

[55] See *North Carolina* v. *EPA,* 531 F.3d 896 (D.C. Cir. 2008), modified on rehearing, 550 F.3d 1176 (D.C. Cir. 2008).

[56] See *EME Homer City Generation, L.P.* v. *EPA,* 696 F.3d 7 (D.C. Cir. 2012).

[57] See *EPA* v. *EME Homer City Generation, L.P.* 134 S. Ct. 1584 (U.S. 2014). The Supreme Court held in part that EPA's methodology for quantifying emissions that must be eliminated in certain States due to their impacts in other downwind States was based on a permissible, workable, and equitable interpretation of the Clean Air Act provision that provides statutory authority for CSAPRIL.

[58] See *EME Homer City Generation, L.P.* v. *EPA,* Order (D.C. Cir. filed October 23, 2014) (No. 11–1302).

[59] On July 28, 2015, the D.C. Circuit issued its opinion regarding the remaining issues raised with respect to CSAPR that were remanded by the Supreme Court. The D.C. Circuit largely upheld CSAPR but remanded to EPA without *vacatur* certain States' emission budgets for reconsideration. *EME Homer City Generation, LP* v. *EPA,* 795 F.3d 118 (D.C. Cir. 2015).

[60] DOE notes that on June 29, 2015, the U.S. Supreme Court ruled that the EPA erred when the agency concluded that cost did not need to be considered in the finding that regulation of hazardous air pollutants from coal- and oil-fired electric utility steam generating units (EGUs) is appropriate and necessary under section 112 of the Clean Air Act (''CAA''). *Michigan* v. *EPA,* 135 S. Ct. 2699 (2015). The Supreme Court did not vacate the MATS rule, and DOE has tentatively determined that the Court's decision on the MATS rule does not change the assumptions regarding the impact of energy conservation standards on SO_2 emissions. Further, the Court's decision does not change the impact of the energy conservation standards on mercury emissions. The EPA, in response to the U.S. Supreme Court's direction, has now considered cost in evaluating whether it is appropriate and necessary to regulate coal- and oil-fired EGUs under the CAA. EPA concluded in its final supplemental finding that a consideration of cost does not alter the EPA's previous determination that regulation of hazardous air pollutants, including mercury, from coal- and oil-fired EGUs, is appropriate and necessary. 79 FR 24420 (April 25, 2016). The MATS rule remains in effect, but litigation is pending in the D.C. Circuit Court of Appeals over EPA's final supplemental finding MATS rule.

[61] U.S. Environmental Protection Agency, ''Carbon Pollution Emission Guidelines for Existing Stationary Sources: Electric Utility Generating Units'' (Washington, DC: October 23, 2015). *https://www.federalregister.gov/articles/2015/10/23/2015-22842/carbon-pollution-emission-guidelines-for-existing-stationary-sources-electric-utility-generating.*

[62] As DOE has not modeled the effect of CPP during the 30 year analysis period of this rulemaking, there is some uncertainty as to the magnitude and overall effect of the energy efficiency standards. With respect to estimated CO_2 and NO_X emissions reductions and their associated monetized benefits, if implemented the CPP would result in an overall decrease in CO_2 emissions from electric generating units (EGUs), and would thus likely reduce some of the estimated CO_2 reductions associated with this rulemaking.

to reflect the value of damages in the United States resulting from a unit change in CO_2 emissions, while a global SC–CO_2 value is meant to reflect the value of damages worldwide.

Under section 1(b)(6) of Executive Order 12866, ''Regulatory Planning and Review,'' 58 FR 51735 (October 4, 1993), agencies must, to the extent permitted by law, ''assess both the costs and the benefits of the intended regulation and, recognizing that some costs and benefits are difficult to quantify, propose or adopt a regulation only upon a reasoned determination that the benefits of the intended regulation justify its costs.'' The purpose of the SC–CO_2 estimates presented here is to allow agencies to incorporate the monetized social benefits of reducing CO_2 emissions into cost-benefit analyses of regulatory actions. The estimates are presented with an acknowledgement of the many uncertainties involved and with a clear understanding that they should be updated over time to reflect increasing knowledge of the science and economics of climate impacts.

As part of the interagency process that developed these SC–CO_2 estimates, technical experts from numerous agencies met on a regular basis to consider public comments, explore the technical literature in relevant fields, and discuss key model inputs and assumptions. The main objective of this process was to develop a range of SC–CO_2 values using a defensible set of input assumptions grounded in the existing scientific and economic literatures. In this way, key uncertainties and model differences transparently and consistently inform the range of SC–CO_2 estimates used in the rulemaking process.

a. Monetizing Carbon Dioxide Emissions

When attempting to assess the incremental economic impacts of CO_2 emissions, the analyst faces a number of challenges. A report from the National Research Council [63] points out that any assessment will suffer from uncertainty, speculation, and lack of information about (1) future emissions of GHGs, (2) the effects of past and future emissions on the climate system, (3) the impact of changes in climate on the physical and biological environment, and (4) the translation of these environmental impacts into economic damages. As a result, any effort to quantify and monetize the harms associated with climate change will raise questions of science, economics, and ethics and should be viewed as provisional.

Despite the limits of both quantification and monetization, SC–CO_2 estimates can be useful in estimating the social benefits of reducing CO_2 emissions. Although any numerical estimate of the benefits of reducing carbon dioxide emissions is subject to some uncertainty, that does not relieve DOE of its obligation to attempt to factor those benefits into its cost-benefit analysis. Moreover, the interagency working group (IWG) SC–CO_2 estimates are well supported by the existing scientific and economic literature. As a result, DOE has relied on the IWG SC–CO_2 estimates in quantifying the social benefits of reducing CO_2 emissions. DOE estimates the benefits from reduced (or costs from increased) emissions in any future year by multiplying the change in emissions in that year by the SC–CO_2 values appropriate for that year. The NPV of the benefits can then be calculated by multiplying each of these future benefits by an appropriate discount factor and summing across all affected years.

It is important to emphasize that the current SC–CO_2 values reflect the IWG's best assessment, based on current data, of the societal effect of CO_2 emissions. The IWG is committed to updating these estimates as the science and economic understanding of climate change and its impacts on society improves over time. In the meantime, the interagency group will continue to explore the issues raised by this analysis and consider public comments as part of the ongoing interagency process.

As background on the genesis of the IWG estimates, in 2009, an interagency process was initiated to offer a preliminary assessment of how best to quantify the benefits from reducing carbon dioxide emissions. To ensure consistency in how benefits are evaluated across Federal agencies, the Administration sought to develop a transparent and defensible method, specifically designed for the rulemaking process, to quantify avoided climate change damages from reduced CO_2 emissions. The interagency group did not undertake any original analysis. Instead, it combined SC–CO_2 estimates from the existing literature to use as interim values until a more comprehensive analysis could be conducted. The outcome of the preliminary assessment by the interagency group was a set of five interim values that represented the first sustained interagency effort within the U.S. government to develop an SC–CO_2 estimate for use in regulatory analysis. The results of this preliminary effort were presented in several proposed and final rules issued by DOE and other agencies.

b. Current Approach and Key Assumptions

After the release of the interim values, the IWG reconvened on a regular basis to generate improved SC–CO_2 estimates. Specially, the IWG considered public comments and further explored the technical literature in relevant fields. It relied on three integrated assessment models commonly used to estimate the SC–CO_2: The FUND, DICE, and PAGE models. These models are frequently cited in the peer-reviewed literature and were used in the last assessment of the Intergovernmental Panel on Climate Change (IPCC). Each model was given equal weight in the SC–CO_2 values that were developed.

Each model takes a slightly different approach to model how changes in emissions result in changes in economic damages. A key objective of the interagency process was to enable a consistent exploration of the three models, while respecting the different approaches to quantifying damages taken by the key modelers in the field. An extensive review of the literature was conducted to select three sets of input parameters for these models: Climate sensitivity, socio-economic and emissions trajectories, and discount rates. A probability distribution for climate sensitivity was specified as an input into all three models. In addition, the IWG used a range of scenarios for the socio-economic parameters and a range of values for the discount rate. All other model features were left unchanged, relying on the model developers' best estimates and judgments.

In 2010, the IWG selected four sets of SC–CO_2 values for use in regulatory analyses. Three sets of values are based on the average SC–CO_2 from the three integrated assessment models, at discount rates of 2.5, 3, and 5 percent. The fourth set, which represents the 95th percentile SC–CO_2 estimate across all three models at a 3-percent discount rate, was included to represent higher-than-expected impacts from climate change further out in the tails of the SC–CO_2 distribution. The values grow in real terms over time. Additionally, the IWG determined that a range of values from 7 percent to 23 percent should be used to adjust the global SC–CO_2 to calculate domestic effects,[64] although

[63] National Research Council. *Hidden Costs of Energy: Unpriced Consequences of Energy Production and Use.* 2009. National Academies Press: Washington, DC.

[64] It is recognized that this calculation for domestic values is approximate, provisional, and highly speculative. There is no *a priori* reason why domestic benefits should be a constant fraction of net global damages over time.

preference is given to consideration of the global benefits of reducing CO_2 emissions. Table IV–9 presents the values in the 2010 IWG report.[65]

TABLE IV–9—ANNUAL SC–CO_2 VALUES FROM 2010 IWG REPORT

[2007$ Per metric ton CO_2]

Year	Discount rate and statistic			
	5%	3%	2.5%	3%
	Average	Average	Average	95th percentile
2010	4.7	21.4	35.1	64.9
2015	5.7	23.8	38.4	72.8
2020	6.8	26.3	41.7	80.7
2025	8.2	29.6	45.9	90.4
2030	9.7	32.8	50.0	100.0
2035	11.2	36.0	54.2	109.7
2040	12.7	39.2	58.4	119.3
2045	14.2	42.1	61.7	127.8
2050	15.7	44.9	65.0	136.2

In 2013 the IWG released an update (which was revised in July 2015) that contained SC–CO_2 values that were generated using the most recent versions of the three integrated assessment models that have been published in the peer-reviewed literature.[66] DOE used these values for this final rule. Table IV–10 shows the four sets of SC–CO_2 estimates from the 2013 interagency update (revised July 2015) in 5-year increments from 2010 through 2050. The full set of annual SC–CO_2 estimates from 2010 through 2050 is reported in appendix 14A of the final rule TSD. The central value that emerges is the average SC–CO_2 across models at the 3-percent discount rate. However, for purposes of capturing the uncertainties involved in regulatory impact analysis, the IWG emphasizes the importance of including all four sets of SC–CO_2 values.

TABLE IV–10—ANNUAL SC–CO2 VALUES FROM 2013 IWG UPDATE (REVISED JULY 2015)

[2007$ Per metric ton CO_2]

Year	Discount rate and statistic			
	5%	3%	2.5%	3%
	Average	Average	Average	95th percentile
2010	10	31	50	86
2015	11	36	56	105
2020	12	42	62	123
2025	14	46	68	138
2030	16	50	73	152
2035	18	55	78	168
2040	21	60	84	183
2045	23	64	89	197
2050	26	69	95	212

It is important to recognize that a number of key uncertainties remain, and that current SC–CO_2 estimates should be treated as provisional and revisable because they will evolve with improved scientific and economic understanding. The interagency group also recognizes that the existing models are imperfect and incomplete. The National Research Council report mentioned previously points out that there is tension between the goal of producing quantified estimates of the economic damages from an incremental ton of carbon and the limits of existing efforts to model these effects. There are a number of analytical challenges that are being addressed by the research community, including research programs housed in many of the Federal agencies participating in the interagency process to estimate the SC–CO_2. The interagency group intends to periodically review and reconsider those estimates to reflect increasing knowledge of the science and economics of climate impacts, as well as improvements in modeling.[67]

DOE converted the values from the 2013 interagency report (revised July 2015) to 2015$ using the implicit price deflator for gross domestic product (GDP) from the Bureau of Economic Analysis. For each of the four sets of

[65] United States Government–Interagency Working Group on Social Cost of Carbon. *Social Cost of Carbon for Regulatory Impact Analysis Under Executive Order 12866*. February 2010. *www.whitehouse.gov/sites/default/files/omb/inforeg/for-agencies/Social-Cost-of-Carbon-for-RIA.pdf*.

[66] United States Government–Interagency Working Group on Social Cost of Carbon. *Technical Support Document: Technical Update of the Social Cost of Carbon for Regulatory Impact Analysis Under Executive Order 12866*. May 2013. Revised July 2015. *www.whitehouse.gov/sites/default/files/omb/inforeg/scc-tsd-final-july-2015.pdf*.

[67] In November 2013, OMB announced a new opportunity for public comment on the interagency technical support document underlying the revised SCC estimates. 78 FR 70586. (November 26, 2013). In July 2015 OMB published a detailed summary and formal response to the many comments that were received: This is available at *www.whitehouse.gov/blog/2015/07/02/estimating-benefits-carbon-dioxide-emissions-reductions*. It also stated its intention to seek independent expert advice on opportunities to improve the estimates, including many of the approaches suggested by commenters.

$SC–CO_2$ cases, the values for emissions in 2020 are $13.5, $47.4, $69.9, and $139 per metric ton avoided (values expressed in 2015$). DOE derived values after 2050 based on the trend in 2010–2050 in each of the four cases in the interagency update.

DOE multiplied the CO_2 emissions reduction estimated for each year by the $SC–CO_2$ value for that year in each of the four cases. To calculate a present value of the stream of monetary values, DOE discounted the values in each of the four cases using the specific discount rate that had been used to obtain the $SC–CO_2$ values in each case.

DOE received several comments on the development of and the use of the $SC–CO_2$ values in its analyses. A group of trade associations led by the U.S. Chamber of Commerce objected to DOE's continued use of the $SC–CO_2$ SCC in the cost-benefit analysis and stated that the $SC–CO_2$ SCC calculation should not be used in any rulemaking until it undergoes a more rigorous notice, review, and comment process. (U.S. Chamber of Commerce, No. 86 at p. 4) The Cato Institute stated that the current $SC–CO_2$ SCC estimates are discordant with the best scientific literature on the equilibrium climate sensitivity and the fertilization effect of carbon dioxide, and are based upon the output of integrated assessment models that have little utility because of their great uncertainties. The Cato Institute stated that until the $SC–CO_2$ SCC values are corrected, the $SC–CO_2$ SCC should be barred from use in this and all other Federal rulemakings. (Cato Institute, No. 87 at pp. 1–2)

In contrast, the Joint Advocates stated that only a partial accounting of the costs of climate change (those most easily monetized) can be provided, which inevitably involves incorporating elements of uncertainty. The Joint Advocates commented that accounting for the economic harms caused by climate change is a critical component of sound benefit-cost analyses of regulations that directly or indirectly limit greenhouse gases. The Joint Advocates stated that several Executive Orders direct Federal agencies to consider non-economic costs and benefits, such as environmental and public health impacts. (Docket No. EERE–2015–BT–STD–0016, Joint Advocates, No. 81 at p. 2–3) Furthermore, the Joint Advocates argued that without an $SC–CO_2$ SCC estimate, regulators would by default be using a value of zero for the benefits of reducing carbon pollution, thereby implying that carbon pollution has no costs. The Joint Advocates stated that it would be arbitrary for a Federal agency to weigh the societal benefits and costs of a rule with significant carbon pollution effects but to assign no value at all to the considerable benefits of reducing carbon pollution. (Docket No. EERE–2015–BT–STD–0016, Joint Advocates, No. 81 at p. 3)

The Joint Advocates stated that assessment and use of the IAMs in developing the $SC–CO_2$ SCC values has been transparent. The Joint Advocates further noted that repeated opportunities for public comment demonstrate that the IWG's $SC–CO_2$ SCC estimates were developed and are being used transparently. (Docket No. EERE–2015–BT–STD–0016, Joint Advocates, No. 81 at p. 4) The Joint Advocates stated that (1) the IAMs used reflect the best available, peer-reviewed science to quantify the benefits of carbon emission reductions; (2) uncertainty is not a valid reason for rejecting the $SC–CO_2$ SCC analysis, and (3) the IWG was rigorous in addressing uncertainty inherent in estimating the economic cost of pollution. (Joint Advocates, No. 81 at pp. 5, 17–18, 18–19) The Joint Advocates added that the increase in the $SC–CO_2$ SCC estimate in the 2013 update reflects the growing scientific and economic research on the risks and costs of climate change, but is still very likely an underestimate of the $SC–CO_2$ SCC. (Docket No. EERE–2015–BT–STD–0016, Joint Advocates, No. 81 at p. 4)

In response to the comments on the $SC–CO_2$ SCC, in conducting the interagency process that developed the $SC–CO_2$ SCC values, technical experts from numerous agencies met on a regular basis to consider public comments, explore the technical literature in relevant fields, and discuss key model inputs and assumptions. Key uncertainties and model differences transparently and consistently inform the range of $SC–CO_2$ SCC estimates. These uncertainties and model differences are discussed in the IWG's reports, as are the major assumptions. Specifically, uncertainties in the assumptions regarding climate sensitivity, as well as other model inputs such as economic growth and emissions trajectories, are discussed and the reasons for the specific input assumptions chosen are explained. However, the three integrated assessment models used to estimate the $SC–CO_2$ are frequently cited in the peer-reviewed literature and were used in the last assessment of the IPCC. In addition, new versions of the models that were used in 2013 to estimate revised $SC–CO_2$ values were published in the peer-reviewed literature. The GAO report mentioned by IECA noted that the working group's processes and methods used consensus-based decision making, relied on existing academic literature and models, and took steps to disclose limitations and incorporate new information.[68] Although uncertainties remain, the revised $SC–CO_2$ values are based on the best available scientific information on the impacts of climate change. The current estimates of the $SC–CO_2$ have been developed over many years, using the best science available, and with input from the public.[69] DOE notes that not using $SC–CO_2$ estimates because of uncertainty would be tantamount to assuming that the benefits of reduced carbon emissions are zero, which is inappropriate. Furthermore, the commenters have not offered alternative estimates of the $SC–CO_2$ that they believe are more accurate.

The Cato Institute also stated that the $SC–CO_2$ approach is at odds with existing OMB guidelines for preparing regulatory analyses. (Cato Institute, No. 87 at p. 1)

OMB Circular A–4 provides two suggested discount rates for use in regulatory analysis: 3-percent and 7-percent. Circular A–4 states that the 3-percent discount rate is appropriate for ''regulation [that] primarily and directly affects private consumption (*e.g.,* through higher consumer prices for goods and services).'' The interagency working group that developed the $SC–CO_2$ values for use by Federal agencies examined the economics literature and concluded that the consumption rate of interest is the correct concept to use in evaluating the net social costs of a marginal change in CO_2 emissions, as the impacts of climate change are measured in consumption-equivalent units in the three models used to estimate the $SC–CO_2$. The interagency working group chose to use three discount rates to span a plausible range of constant discount rates: 2.5, 3, and 5 percent per year. The central value, 3 percent, is consistent with estimates provided in the economics literature and OMB's Circular A–4 guidance for the consumption rate of interest.

Regarding the use of global $SC–CO_2$ values, DOE's analysis estimates both

[68] *www.gao.gov/products/GAO-14-663.* (Last accessed September 22, 2016)

[69] In November 2013, OMB announced a new opportunity for public comment on the interagency technical support document underlying the revised $SC–CO_2$ estimates. In July 2015, OMB published a detailed summary and formal response to the many comments that were received. See *www.whitehouse.gov/blog/2015/07/02/estimating-benefits-carbon-dioxide-emissions-reductions.* OMB also stated its intention to seek independent expert advice on opportunities to improve the estimates, including many of the approaches suggested by commenters.

global and domestic benefits of CO_2 emissions reductions. Following the recommendation of the IWG, DOE places more focus on a global measure of SC–CO_2. The climate change problem is highly unusual in at least two respects. First, it involves a global externality: Emissions of most greenhouse gases contribute to damages around the world even when they are emitted in the United States. Consequently, to address the global nature of the problem, the SC–CO_2 must incorporate the full (global) damages caused by domestic GHG emissions. Second, climate change presents a problem that the United States alone cannot solve. Even if the United States were to reduce its greenhouse gas emissions to zero, that step would be far from enough to avoid substantial climate change. Other countries would also need to take action to reduce emissions if significant changes in the global climate are to be avoided. Emphasizing the need for a global solution to a global problem, the United States has been actively involved in seeking international agreements to reduce emissions and in encouraging other nations, including emerging major economies, to take significant steps to reduce emissions. When these considerations are taken as a whole, the interagency group concluded that a global measure of the benefits from reducing U.S. emissions is preferable. DOE's approach is supported by the requirement to weigh the need for national energy conservation, as one of the main reasons for national energy conservation is to contribute to efforts to mitigate the effects of global climate change.

2. Social Cost of Methane and Nitrous Oxide

The Joint Advocates stated that EPA and other agencies have begun using a methodology developed to specifically measure the social cost of methane in recent proposed rulemakings, and recommended that DOE should use the social cost of methane metric to more accurately reflect the true benefits of energy conservation standards. They stated that the methodology in the study used to develop the social cost of methane provides reasonable estimates that reflect updated evidence and provide consistency with the Government's accepted methodology for estimating the SC–CO_2. (Docket No. EERE–2015–BT–STD–0016, Joint Advocates, No. 81 at pp. 19–20)

While carbon dioxide is the most prevalent greenhouse gas emitted into the atmosphere, other GHGs are also important contributors. These include methane and nitrous oxide. Global warming potential values (''GWPs'') are often used to convert emissions of non-CO_2 GHGs to CO_2-equivalents to facilitate comparison of policies and inventories involving different GHGs. While GWPs allow for some useful comparisons across gases on a physical basis, using the social cost of carbon to value the damages associated with changes in CO_2-equivalent emissions is not optimal. This is because non-CO_2 GHGs differ not just in their potential to absorb infrared radiation over a given time frame, but also in the temporal pathway of their impact on radiative forcing, which is relevant for estimating their social cost but not reflected in the GWP. Physical impacts other than temperature change also vary across gases in ways that are not captured by GWP.

In light of these limitations and the paucity of peer-reviewed estimates of the social cost of non-CO_2 gases in the literature, the 2010 SC–CO_2 Technical Support Document did not include an estimate of the social cost of non-CO_2 GHGs and did not endorse the use of GWP to approximate the value of non-CO_2 emission changes in regulatory analysis. Instead, the IWG noted that more work was needed to link non-CO_2 GHG emission changes to economic impacts.

Since that time, new estimates of the social cost of non-CO_2 GHG emissions have been developed in the scientific literature, and a recent study by Marten *et al.* (2015) provided the first set of published estimates for the social cost of CH_4 and N_2O emissions that are consistent with the methodology and modeling assumptions underlying the IWG SC–CO_2 estimates.[70] Specifically, Marten *et al.* used the same set of three integrated assessment models, five socioeconomic and emissions scenarios, equilibrium climate sensitivity distribution, three constant discount rates, and the aggregation approach used by the IWG to develop the SC–CO_2 estimates. An addendum to the IWG's Technical Support Document on Social Cost of Carbon for Regulatory Impact Analysis under Executive Order 12866 summarizes the Marten *et al.* methodology and presents the SC–CH_4 and SC–N_2O estimates from that study as a way for agencies to incorporate the social benefits of reducing CH_4 and N_2O emissions into benefit-cost analyses of regulatory actions that have small, or ''marginal,'' impacts on cumulative global emissions.[71]

The methodology and estimates described in the addendum have undergone multiple stages of peer review and their use in regulatory analysis has been subject to public comment. The estimates are presented with an acknowledgement of the limitations and uncertainties involved and with a clear understanding that they should be updated over time to reflect increasing knowledge of the science and economics of climate impacts, just as the IWG has committed to do for the SC–CO_2. The OMB has determined that the use of the Marten *et al.* estimates in regulatory analysis is consistent with the requirements of OMB's Information Quality Guidelines Bulletin for Peer Review and OMB Circular ASC–4.

The SC–CH_4 and SC–N_2O estimates are presented in Table IV–11. Following the same approach as with the SC–CO_2, values for 2010, 2020, 2030, 2040, and 2050 are calculated by combining all outputs from all scenarios and models for a given discount rate. Values for the years in between are calculated using linear interpolation. The full set of annual SC–CH_4 and SC–N_2O estimates between 2010 and 2050 is reported in appendix 14SC–A of the final rule TSD. DOE derived values after 2050 based on the trend in 2010SC–2050 in each of the four cases in the IWG addendum.

[70] Marten, A.L., Kopits, E.A., Griffiths, C.W., Newbold, S.C., and A. Wolverton. 2015. Incremental CH_4 and N_2O Mitigation Benefits Consistent with the U.S. Government's SC–CO_2 Estimates. *Climate Policy*. 15(2): 272SC–298 (published online, 2014).

[71] United States Government—Interagency Working Group on Social Cost of Greenhouse Gases. Addendum to Technical Support Document on Social Cost of Carbon for Regulatory Impact Analysis under Executive Order 12866: Application of the Methodology to Estimate the Social Cost of Methane and the Social Cost of Nitrous Oxide. August 2016. *www.whitehouse.gov/sites/default/files/omb/inforeg/august_2016_sc_ch4_sc_n2o_addendum_final_8_26_16.pdf*.

TABLE IV–11—ANNUAL $SC–CH_4$ AND $SC–N_2O$ ESTIMATES FROM 2016 IWG ADDENDUM

[2007$ per metric ton]

Year	$SC–CH_4$				$SC–N_2O$			
	Discount rate and statistic				Discount rate and statistic			
	5%	3%	2.5%	3%	5%	3%	2.5%	3%
	Average	Average	Average	95th percentile	Average	Average	Average	95th percentile
2010	370	870	1,200	2,400	3,400	12,000	18,000	31,000
2015	450	1,000	1,400	2,800	4,000	13,000	20,000	35,000
2020	540	1,200	1,600	3,200	4,700	15,000	22,000	39,000
2025	650	1,400	1,800	3,700	5,500	17,000	24,000	44,000
2030	760	1,600	2,000	4,200	6,300	19,000	27,000	49,000
2035	900	1,800	2,300	4,900	7,400	21,000	29,000	55,000
2040	1,000	2,000	2,600	5,500	8,400	23,000	32,000	60,000
2045	1,200	2,300	2,800	6,100	9,500	25,000	34,000	66,000
2050	1,300	2,500	3,100	6,700	11,000	27,000	37,000	72,000

DOE multiplied the CH_4 and N_2O emissions reduction estimated for each year by the $SC–CH_4$ and $SC–N_2O$ estimates for that year in each of the four cases. To calculate a present value of the stream of monetary values, DOE discounted the values in each of the four cases using the specific discount rate that had been used to obtain the $SC–CH_4$ and $SC–N_2O$ estimates in each case.

3. Social Cost of Other Air Pollutants

As noted previously, DOE estimated how the considered energy conservation standards would reduce site NO_X emissions nationwide and decrease power sector NO_X emissions in those 22 States not affected by CSAPRIL

DOE estimated the monetized value of NO_X emissions reductions from electricity generation using benefit per ton estimates from the *Regulatory Impact Analysis for the Clean Power Plan Final Rule,* published in August 2015 by EPA's Office of Air Quality Planning and Standards.[72] The report includes high and low values for NO_X (as $PM_{2.5}$) for 2020, 2025, and 2030 using discount rates of 3 percent and 7 percent; these values are presented in appendix 14B of the final rule TSD. DOE primarily relied on the low estimates to be conservative.[73] The national average low values for 2020 (in 2015$) are $3,187/ton at 3-percent discount rate and $2,869/ton at 7-percent discount rate. DOE developed values specific to the sector for WICF refrigeration systems using a method described in appendix 14B of the final rule TSD. For this analysis DOE used linear interpolation to define values for the years between 2020 and 2025 and between 2025 and 2030; for years beyond 2030 the value is held constant.

DOE estimated the monetized value of NO_X emissions reductions from gas WICF refrigeration systems using benefit per ton estimates from the EPA's ''Technical Support Document Estimating the Benefit per Ton of Reducing $PM_{2.5}$ Precursors from 17 Sectors.'' [74] Although none of the sectors refers specifically to residential and commercial buildings, DOE believes that the sector called ''Area sources'' would be a reasonable proxy for residential and commercial buildings. ''Area sources'' represents all emission sources for which states do not have exact (point) locations in their emissions inventories. Since exact locations would tend to be associated with larger sources, ''area sources'' would be fairly representative of small dispersed sources like homes and businesses. The EPA Technical Support Document provides high and low estimates for 2016, 2020, 2025, and 2030 at 3- and 7-percent discount rates. As with the benefit per ton estimates for NO_X emissions reductions from electricity generation, DOE primarily relied on the low estimates to be conservative.

DOE multiplied the emissions reduction (in tons) in each year by the associated $/ton values, and then discounted each series using discount rates of 3 percent and 7 percent as appropriate.

DOE is evaluating appropriate monetization of reduction in other emissions in energy conservation standards rulemakings. DOE has not included monetization of those emissions in the current analysis but notes that it would not expect the inclusion of such values to change its analysis or conclusions with respect to the adopted standards.

N. Utility Impact Analysis

The utility impact analysis estimates several effects on the electric power generation industry that would result from the adoption of new or amended energy conservation standards. The utility impact analysis estimates the changes in installed electrical capacity and generation that would result for each TSL. The analysis is based on published output from the NEMS associated with *AEO 2016*. NEMS produces the *AEO* Reference case, as well as a number of side cases that estimate the economy-wide impacts of changes to energy supply and demand. For the current analysis, impacts are quantified by comparing the levels of electricity sector generation, installed capacity, fuel consumption and emissions consistent with the projections described on page E–8 of *AEO 2016* and various side cases. Details of the methodology are provided

[72] Available at *www.epa.gov/cleanpowerplan/clean-power-plan-final-rule-regulatory-impact-analysis*. See Tables 4A–3, 4A–4, and 4A–5 in the report. The U.S. Supreme Court has stayed the rule implementing the Clean Power Plan until the current litigation against it concludes. *Chamber of Commerce, et al.* v. *EPA, et al.*, Order in Pending Case, 577 U.S. ___ (2016), 136 S.Ct. 999.). However, the benefit-per-ton estimates established in the Regulatory Impact Analysis for the Clean Power Plan are based on scientific studies that remain valid irrespective of the legal status of the Clean Power Plan.

[73] For the monetized NO_X benefits associated with $PM_{2.5}$, the related benefits are primarily based on an estimate of premature mortality derived from the ACS study (Krewski *et al.* 2009), which is the lower of the two EPA central tendencies. Using the lower value is more conservative when making the policy decision concerning whether a particular standard level is economically justified. If the benefit-per-ton estimates were based on the Six Cities study (Lepuele *et al.* 2012), the values would be nearly two-and-a-half times larger. (See chapter 14 of the final rule TSD for citations for the studies mentioned above.)

[74] *www.epa.gov/sites/production/files/2014-10/documents/sourceapportionmentbpttsd.pdf*.

in the appendices to chapters 13 and 15 of the final rule TSD.

The output of this analysis is a set of time-dependent coefficients that capture the change in electricity generation, primary fuel consumption, installed capacity and power sector emissions due to a unit reduction in demand for a given end use. These coefficients are multiplied by the stream of electricity savings calculated in the NIA to provide estimates of selected utility impacts of potential new or amended energy conservation standards.

O. Employment Impact Analysis

DOE considers employment impacts in the domestic economy as one factor in selecting a standard. Employment impacts from new or amended energy conservation standards include both direct and indirect impacts. Direct employment impacts are any changes in the number of employees of manufacturers of the products subject to standards, their suppliers, and related service firms. The MIA addresses those impacts. Indirect employment impacts are changes in national employment that occur due to the shift in expenditures and capital investment caused by the purchase and operation of more-efficient appliances. Indirect employment impacts from standards consist of the net jobs created or eliminated in the national economy, other than in the manufacturing sector being regulated, caused by (1) reduced spending by consumers on energy, (2) reduced spending on new energy supply by the utility industry, (3) increased consumer spending on the products to which the new standards apply and other goods and services, and (4) the effects of those three factors throughout the economy.

One method for assessing the possible effects on the demand for labor of such shifts in economic activity is to compare sector employment statistics developed by the Labor Department's Bureau of Labor Statistics (''BLS''). BLS regularly publishes its estimates of the number of jobs per million dollars of economic activity in different sectors of the economy, as well as the jobs created elsewhere in the economy by this same economic activity. Data from BLS indicate that expenditures in the utility sector generally create fewer jobs (both directly and indirectly) than expenditures in other sectors of the economy.[75] There are many reasons for these differences, including wage differences and the fact that the utility sector is more capital-intensive and less labor-intensive than other sectors. Energy conservation standards have the effect of reducing consumer utility bills. Because reduced consumer expenditures for energy likely lead to increased expenditures in other sectors of the economy, the general effect of efficiency standards is to shift economic activity from a less labor-intensive sector (*i.e.,* the utility sector) to more labor-intensive sectors (*e.g.,* the retail and service sectors). Thus, the BLS data suggest that net national employment may increase due to shifts in economic activity resulting from energy conservation standards.

DOE estimated indirect national employment impacts for the standard levels considered in this final rule using an input/output model of the U.S. economy called Impact of Sector Energy Technologies version 4 (''ImSET'').[76] ImSET is a special-purpose version of the ''U.S. Benchmark National Input-Output'' (I–O) model, which was designed to estimate the national employment and income effects of energy-saving technologies. The ImSET software includes a computer-based I–O model having structural coefficients that characterize economic flows among 187 sectors most relevant to industrial, commercial, and residential building energy use.

DOE notes that ImSET is not a general equilibrium forecasting model, and understands the uncertainties involved in projecting employment impacts, especially changes in the later years of the analysis. Because ImSET does not incorporate price changes, the employment effects predicted by ImSET may over-estimate actual job impacts over the long run for this rule. Therefore, DOE used ImSET only to generate results for near-term timeframes (2020), where these uncertainties are reduced. For more details on the employment impact analysis, see chapter 16 of the final rule TSD.

V. Analytical Results and Conclusions

The following section addresses the results from DOE's analyses with respect to the considered energy conservation standards for the considered WICF refrigeration systems. It addresses the TSLs examined by DOE, the projected impacts of each of these levels if adopted as energy conservation standards for the considered WICF refrigeration systems, and the standards levels that DOE is adopting in this final rule. Additional details regarding DOE's analyses are contained in the final rule TSD supporting this document.

A. Trial Standard Levels

DOE analyzed the benefits and burdens of three TSLs for the considered WICF refrigeration systems. These TSLs were developed by combining specific efficiency levels for each of the equipment classes analyzed by DOE. (Efficiency levels for each class are described in section IV.D.10.) DOE presents the results for the TSLs in this document, while the results for all efficiency levels that DOE analyzed are in the final rule TSD.

TSL 3 represents the maximum technologically feasible level. It is also the energy conservation standard level that the Working Group unanimously recommended that DOE adopt. (Term Sheet at EERE–2015–BT–STD–0016–0056, recommendation #5). TSLs 1 and 2 are direct representations of efficiency levels 1 and 2. These efficiency levels for each class were formulated to divide the gap in efficiency between the baseline and the maximum technologically feasible efficiency level into approximately equal intervals. Table IV–1 shows the mapping of minimum AWEF values for each equipment class and nominal capacity to each TSL.

TABLE V–1—MAPPING OF AWEF TO TRIAL STANDARD LEVELS

Equipment component	Equipment class	Nominal capacity Btu/hr	Trial standard level		
			1	2	3
Condensing Unit	DC.L.I	6000	1.91	1.97	2.30
		9000	2.09	2.14	2.48
		25000	2.06	2.40	2.40

[75] See U.S. Department of Commerce—Bureau of Economic Analysis. *Regional Multipliers: A User Handbook for the Regional Input-Output Modeling System (RIMS II).* 1997. U.S. Government Printing Office: Washington, DC. Available at *www.bea.gov/scb/pdf/regional/perinc/meth/rims2.pdf.*

[76] Livingston, O.V., S.R. Bender, M.J. Scott, and R.W. Schultz. *ImSET 4.0: Impact of Sector Energy Technologies Model Description and User's Guide.* 2015. Pacific Northwest National Laboratory: Richland, WA. PNNL–24563.

TABLE V–1—MAPPING OF AWEF TO TRIAL STANDARD LEVELS—Continued

Equipment component	Equipment class	Nominal capacity Btu/hr	Trial standard level		
			1	2	3
		54000	2.35	2.35	2.42
	DC.L.O	6000	2.57	2.67	3.00
		9000	2.41	2.81	3.13
		25000	2.70	2.77	3.16
		54000	2.60	2.92	3.16
		72000	2.59	2.90	3.16
Unit Cooler	UC.M	4000	7.30	8.15	9.00
		9000	7.30	8.15	9.00
		24000	7.30	8.15	9.00
	UC.L	4000	3.61	3.78	3.95
		9000	3.69	3.85	4.01
		18000	3.88	4.02	4.15
		40000	3.88	4.02	4.15

B. Economic Justification and Energy Savings

1. Economic Impacts on Individual Consumers

DOE analyzed the economic impacts on consumers of the considered WICF refrigeration systems by looking at what the effects of the standards at each TSL would be on the LCC and PBP. DOE also examined the impacts of potential standards on consumer subgroups. These analyses are discussed below.

a. Life-Cycle Cost and Payback Period

In general, higher-efficiency equipment affects consumers in two ways: (1) Purchase prices for the equipment increase and (2) equipment annual operating costs decrease. Inputs used for calculating the LCC and PBP include total installed costs (*i.e.,* equipment price plus installation costs), and operating costs (*i.e.,* annual energy use, energy prices, energy price trends, repair costs, and maintenance costs). The LCC calculation also uses product lifetime and a discount rate. Chapter 8 of the final rule TSD provides detailed information on the LCC and PBP analyses.

The LCC results are the shipment-weighted average of results for each equipment class over system capacity using the weights for each shown in Table IV–6. The results for each TSL were approximated by analyzing the equipment class and nominal capacity combinations with the closest AWEF rating shown in Table V–1 that was analyzed in the engineering analysis. See chapter 8 of the TSD for more detailed LCC results.

Table V–2 through Table V–20 show the LCC and PBP results for the TSLs considered for each equipment class. In the first of each pair of tables, the simple payback is measured relative to baseline equipment. In the second table, the impacts are measured relative to the efficiency distribution in the no-new-standards case in the compliance year (see section IV.G.1 of this document). Consumers for whom the LCC increases at a given TSL experience a net cost.

TABLE V–2—AVERAGE LCC AND PBP RESULTS BY TRIAL STANDARD LEVEL FOR INDOOR DEDICATED CONDENSING UNITS, LOW-TEMPERATURE

[DC.L.I, condensing unit only]

TSL	EL	Average costs (2015$)				Simple payback (years)	Average lifetime (years)
		Installed cost	First year's operating cost	Lifetime operating cost	LCC		
	0	$3,727	$2,149	$18,320	$20,900	0.0	10.6
1	1	3,729	2,146	18,320	20,873	0.0	10.6
2	2	3,788	2,093	18,019	20,513	1.0	10.6
3	3	4,006	1,955	16,689	19,628	1.5	10.6

Note: The results for each TSL are calculated assuming that all consumers use equipment at that efficiency level. The PBP is measured relative to the baseline (EL 0) equipment.

TABLE V–3—AVERAGE LCC SAVINGS RELATIVE TO THE NO-NEW-STANDARDS CASE FOR INDOOR DEDICATED CONDENSING UNITS, LOW-TEMPERATURE

[DC.L.I, condensing unit only]

TSL	EL	Life-cycle cost savings	
		Average LCC savings * (2015$)	Percent of consumers that experience net cost
1	1	$26	0
2	2	387	0

TABLE V–3—AVERAGE LCC SAVINGS RELATIVE TO THE NO-NEW-STANDARDS CASE FOR INDOOR DEDICATED CONDENSING UNITS, LOW-TEMPERATURE—Continued

[DC.L.I, condensing unit only]

TSL	EL	Life-cycle cost savings	
		Average LCC savings* (2015$)	Percent of consumers that experience net cost
3	3	1,272	0

*The savings represent the average LCC for affected consumers.

TABLE V–4—AVERAGE LCC AND PBP RESULTS BY TRIAL STANDARD LEVEL FOR OUTDOOR DEDICATED CONDENSING UNITS, LOW-TEMPERATURE

[DC.L.O, condensing unit only]

TSL	EL	Average costs (2015$)				Simple payback (years)	Average lifetime (years)
		Installed cost	First year's operating cost	Lifetime operating cost	LCC		
	0	$4,508	$2,630	$22,368	$25,587	0.0	10.5
1	1	4,533	2,534	21,655	24,834	0.1	10.5
2	2	4,585	2,359	20,105	23,490	0.4	10.5
3	3	4,914	2,226	19,003	22,748	1.2	10.5

Note: The results for each TSL are calculated assuming that all consumers use equipment at that efficiency level. The PBP is measured relative to the baseline (EL 0) equipment.

TABLE V–5—AVERAGE LCC SAVINGS RELATIVE TO THE NO-NEW-STANDARDS CASE FOR OUTDOOR DEDICATED CONDENSING UNITS, LOW-TEMPERATURE

[DC.L.O, Condensing Unit Only]

TSL	EL	Life-cycle cost savings	
		Average LCC savings* (2015$)	Percent of consumers that experience net cost
1	1	$753	0
2	2	2,097	0
3	3	2,839	0

*The savings represent the average LCC for affected consumers.

TABLE V–6—AVERAGE LCC AND PBP RESULTS BY TRIAL STANDARD LEVEL FOR INDOOR PAIRED DEDICATED CONDENSING SYSTEMS, LOW-TEMPERATURE

[DC.L.I, field-paired]

TSL	EL	Average costs (2015$)				Simple payback (years)	Average lifetime (years)
		Installed cost	First year's operating cost	Lifetime operating cost	LCC		
	0	$6,012	$2,147	$15,938	$23,294	0.0	10.6
1	1	6,015	2,142	15,929	23,257	0.1	10.6
2	2	6,078	2,087	15,665	22,877	1.0	10.6
3	3	6,318	1,938	16,316	21,922	1.5	10.6

Note: The results for each TSL are calculated assuming that all consumers use equipment at that efficiency level. The PBP is measured relative to the baseline (EL 0) equipment.

TABLE V–7—AVERAGE LCC SAVINGS RELATIVE TO THE NO-NEW-STANDARDS CASE FOR INDOOR PAIRED DEDICATED CONDENSING SYSTEMS, INDOOR CONDENSING UNITS

[DC.L.I, field-paired]

TSL	EL	Life-cycle cost savings	
		Average LCC savings* (2015$)	Percent of consumers that experience net cost
1	1	$63	0
2	2	442	0
3	3	1,397	0

* The savings represent the average LCC for affected consumers.

TABLE V–8—AVERAGE LCC AND PBP RESULTS BY TRIAL STANDARD LEVEL FOR OUTDOOR PAIRED DEDICATED CONDENSING SYSTEMS, LOW-TEMPERATURE

[DC.L.O, field-paired]

TSL	EL	Average costs (2015$)				Simple payback (years)	Average lifetime (years)
		Installed cost	First year's operating cost	Lifetime operating cost	LCC		
	0	$7,304	$2,631	$19,136	$28,435	0.0	10.5
1	1	7,331	2,530	18,811	27,652	0.2	10.5
2	2	7,412	2,330	15,688	26,128	0.5	10.5
3	3	7,830	2,155	22,020	25,140	1.4	10.5

Note: The results for each TSL are calculated assuming that all consumers use equipment at that efficiency level. The PBP is measured relative to the baseline (EL 0) equipment.

TABLE V–9—AVERAGE LCC SAVINGS RELATIVE TO THE NO-NEW-STANDARDS CASE FOR OUTDOOR PAIRED DEDICATED CONDENSING SYSTEMS, OUTDOOR CONDENSING UNITS

[DC.L.O, field-paired]

TSL	EL	Life-cycle cost savings	
		Average LCC savings* (2015$)	Percent of consumers that experience net cost
1	1	$783	0
2	2	2,307	0
3	3	3,294	0

* The savings represent the average LCC for affected consumers.

TABLE V–10—AVERAGE LCC AND PBP RESULTS BY TRIAL STANDARD LEVEL FOR LOW-TEMPERATURE UNIT COOLERS, ATTACHED TO DEDICATED CONDENSING INDOOR CONDENSING UNITS

[DC.L.I, unit cooler only]

TSL	EL	Average costs (2015$)				Simple payback (years)	Average lifetime (years)
		Installed cost	First year's operating cost	Lifetime operating cost	LCC		
	0	$2,283	$2,147	$18,347	$19,468	0.0	10.5
1	1	2,317	2,134	18,269	19,396	1.7	10.5
2	2	2,379	2,122	18,162	19,361	3.6	10.5
3	3	2,433	2,113	18,062	19,347	4.8	10.5

Note: The results for each TSL are calculated assuming that all consumers use equipment at that efficiency level. The PBP is measured relative to the baseline (EL 0) equipment.

TABLE V–11—AVERAGE LCC SAVINGS RELATIVE TO THE NO-NEW-STANDARDS CASE FOR LOW-TEMPERATURE UNIT COOLERS, ATTACHED TO DEDICATED CONDENSING INDOOR CONDENSING UNITS

[DC.L.I, unit cooler only]

TSL	EL	Life-cycle cost savings	
		Average LCC savings* (2015$)	Percent of consumers that experience net cost
1	1	$86	2
2	2	121	6
3	3	135	15

*The savings represent the average LCC for affected consumers.

TABLE V–12—AVERAGE LCC AND PBP RESULTS BY TRIAL STANDARD LEVEL FOR LOW-TEMPERATURE UNIT COOLERS, ATTACHED TO DEDICATED CONDENSING OUTDOOR CONDENSING UNITS

[DC.L.O, unit cooler only]

TSL	EL	Average costs (2015$)				Simple payback (years)	Average lifetime (years)
		Installed cost	First year's operating cost	Lifetime operating cost	LCC		
	0	$2,795	$2,630	$22,308	$23,816	0.0	10.4
1	1	2,809	2,624	22,268	23,782	0.6	10.4
2	2	2,856	2,604	22,151	23,673	2.4	10.4
3	3	2,969	2,572	21,876	23,529	4.5	10.4

Note: The results for each TSL are calculated assuming that all consumers use equipment at that efficiency level. The PBP is measured relative to the baseline (EL 0) equipment.

TABLE V–13—AVERAGE LCC SAVINGS RELATIVE TO THE NO-NEW-STANDARDS CASE FOR LOW-TEMPERATURE UNIT COOLERS, ATTACHED TO DEDICATED CONDENSING OUTDOOR CONDENSING UNITS

[DC.L.O, unit cooler only]

TSL	EL	Life-cycle cost savings	
		Average LCC savings* (2015$)	Percent of consumers that experience net cost
1	1	$35	0
2	2	144	3
3	3	288	15

*The savings represent the average LCC for affected consumers.

TABLE V–14—AVERAGE LCC AND PBP RESULTS BY TRIAL STANDARD LEVEL FOR MEDIUM-TEMPERATURE UNIT COOLERS, ATTACHED TO DEDICATED CONDENSING INDOOR CONDENSING UNITS

[DC.M.I, unit cooler only]

TSL	EL	Average costs (2015$)				Simple payback (years)	Average lifetime (years)
		Installed cost	First year's operating cost	Lifetime operating cost	LCC		
	0	$2,187	$1,183	$10,010	$11,583	0.0	10.5
1	1	2,187	1,183	10,010	11,583	0.0	10.5
2	2	2,218	1,170	9,901	11,511	1.8	10.5
3	3	2,227	1,167	9,875	11,497	1.9	10.5

Note: The results for each TSL are calculated assuming that all consumers use equipment at that efficiency level. The PBP is measured relative to the baseline (EL 0) equipment.

Note: DOE is examining the impacts of unit coolers (UC.M and UC.L) combined with medium-temperature dedicated condensing equipment (DC.M.I and DC.M.O), but DOE is not considering establishing standards for the latter equipment, as they are covered by the June 2014 final rule standards that were not vacated by the Fifth Circuit order.

TABLE V–15—AVERAGE LCC SAVINGS RELATIVE TO THE NO-NEW-STANDARDS CASE FOR MEDIUM-TEMPERATURE UNIT COOLERS, ATTACHED TO DEDICATED CONDENSING INDOOR CONDENSING UNITS

[DC.M.I, unit cooler only]

TSL	EL	Life-cycle cost savings	
		Average LCC savings * (2015$)	Percent of consumers that experience net cost
1	1	$0	0
2	2	72	1
3	3	87	1

* The savings represent the average LCC for affected consumers.

Note: DOE is examining the impacts of unit coolers (UC.M and UC.L) combined with medium-temperature dedicated condensing equipment (DC.M.I and DC.M.O), but DOE is not considering establishing standards for the latter equipment, as they are covered by the June 2014 final rule standards that were not vacated by the Fifth Circuit order.

TABLE V–16—AVERAGE LCC AND PBP RESULTS BY TRIAL STANDARD LEVEL FOR MEDIUM-TEMPERATURE UNIT COOLERS, ATTACHED TO DEDICATED CONDENSING OUTDOOR CONDENSING UNITS

[DC.M.O, unit cooler only]

TSL	EL	Average costs (2015$)				Simple payback (years)	Average lifetime (years)
		Installed cost	First year's operating cost	Lifetime operating cost	LCC		
	0	$2,294	$956	$8,070	$9,912	0.0	10.6
1	1	2,294	956	8,070	9,912	0.0	10.6
2	2	2,320	942	7,956	9,833	1.4	10.6
3	3	2,329	940	7,937	9,823	1.5	10.6

Note: The results for each TSL are calculated assuming that all consumers use equipment at that efficiency level. The PBP is measured relative to the baseline (EL 0) equipment.

Note: DOE is examining the impacts of unit coolers (UC.M and UC.L) combined with medium-temperature dedicated condensing equipment (DC.M.I and DC.M.O), but DOE is not considering establishing standards for the latter equipment, as they are covered by the June 2014 final rule standards that were not vacated by the Fifth Circuit order.

TABLE V–17—AVERAGE LCC SAVINGS RELATIVE TO THE NO-NEW-STANDARDS CASE FOR MEDIUM-TEMPERATURE UNIT COOLERS, ATTACHED TO DEDICATED CONDENSING OUTDOOR CONDENSING UNITS

[DC.M.O, unit cooler only]

TSL	EL	Life-cycle cost savings	
		Average LCC savings * (2015$)	Percent of consumers that experience net cost
1	1	$0	0
2	2	79	0
3	3	89	1

* The savings represent the average LCC for affected consumers.

Note: DOE is examining the impacts of unit coolers (UC.M and UC.L) combined with medium-temperature dedicated condensing equipment (DC.M.I and DC.M.O), but DOE is not considering establishing standards for the latter equipment, as they are covered by the June 2014 final rule standards that were not vacated by the Fifth Circuit order.

TABLE V–18—AVERAGE LCC AND PBP RESULTS BY TRIAL STANDARD LEVEL FOR UNIT COOLERS, LOW-TEMPERATURE, ATTACHED TO LOW-TEMPERATURE MULTIPLEX CONDENSING UNITS

[MC.L, unit cooler only]

TSL	EL	Average costs 2015$				Simple payback (years)	Average lifetime (years)
		Installed cost	First year's operating cost	Lifetime operating cost	LCC		
	0	$2,850	$2,131	$18,831	$20,492	0.0	10.6
1	1	2,856	2,130	18,820	20,488	0.6	10.6
2	2	2,898	2,113	18,670	20,390	2.8	10.6

TABLE V–18—AVERAGE LCC AND PBP RESULTS BY TRIAL STANDARD LEVEL FOR UNIT COOLERS, LOW-TEMPERATURE, ATTACHED TO LOW-TEMPERATURE MULTIPLEX CONDENSING UNITS—Continued

[MC.L, unit cooler only]

TSL	EL	Average costs 2015$				Simple payback (years)	Average lifetime (years)
		Installed cost	First year's operating cost	Lifetime operating cost	LCC		
3	3	3,115	2,090	18,468	20,418	7.6	10.6

Note: The results for each TSL are calculated assuming that all consumers use equipment at that efficiency level. The PBP is measured relative to the baseline (EL 0) equipment.

TABLE V–19—AVERAGE LCC SAVINGS RELATIVE TO THE NO-NEW-STANDARDS CASE FOR UNIT COOLERS, LOW-TEMPERATURE ATTACHED TO LOW-TEMPERATURE MULTIPLEX CONDENSING UNITS

[MC.L, unit cooler only]

TSL	EL	Life-cycle cost savings	
		Average LCC savings * (2015$)	Percent of consumers that experience net cost
1	1	$4	2
2	2	101	9
3	3	74	49

* The savings represent the average LCC for affected consumers.

TABLE V–20—AVERAGE LCC AND PBP RESULTS BY TRIAL STANDARD LEVEL FOR UNIT COOLERS, MEDIUM-TEMPERATURE, ATTACHED TO MEDIUM-TEMPERATURE MULTIPLEX CONDENSING UNITS

[MC.M, unit cooler only]

TSL	EL	Average costs (2015$)				Simple payback (years)	Average lifetime (years)
		Installed cost	First year's operating cost	Lifetime operating cost	LCC		
	0	$2,020	$675	$5,928	$7,592	0.0	10.5
1	1	2,026	674	5,918	7,588	0.6	10.5
2	2	2,056	662	5,813	7,520	2.4	10.5
3	3	2,076	659	5,789	7,517	3.0	10.5

Note: The results for each TSL are calculated assuming that all consumers use equipment at that efficiency level. The PBP is measured relative to the baseline (EL 0) equipment.

TABLE V–21—AVERAGE LCC SAVINGS RELATIVE TO THE NO-NEW-STANDARDS CASE FOR UNIT COOLERS, MEDIUM-TEMPERATURE, ATTACHED TO MEDIUM-TEMPERATURE MULTIPLEX CONDENSING UNITS

[MC.M, unit cooler only]

TSL	EL	Life-cycle cost savings	
		Average LCC savings * (2015$)	Percent of consumers that experience net cost
1	1	$4	1
2	2	72	2
3	3	75	8

* The savings represent the average LCC for affected consumers.

b. Consumer Subgroup Analysis

In the consumer subgroup analysis, DOE estimated the impact of the considered TSLs on small businesses.

Table V–22 compares the average LCC savings and PBP at each efficiency level for the small business consumer subgroup, along with the average LCC savings for the entire sample. In most cases, the average LCC savings and PBP for the small business subgroup at the considered efficiency levels are not substantially different from the average for all businesses. The small business

subgroup is the subgroup of consumers most likely to be affected by this final rule. Small businesses are likely to experience higher electricity prices, and experience higher costs of capital than the average for all businesses. Chapter 11 of the final rule TSD presents the complete LCC and PBP results for the small business subgroup.

TABLE V–22—COMPARISON OF LCC SAVINGS AND PBP FOR SMALL BUSINESSES CONSUMER SUBGROUP AND ALL CONSUMERS

Equipment class—application (design path)	Consumer subgroup	LCC savings (2015$)		
		TSL 1	TSL 2	TSL 3
DC.L.I—C-Only *	National Average	$26	$387	$1,272
	Small Businesses	25	359	1,179
DC.L.O—CU-Only *	National Average	753	2,097	2,839
	Small Businesses	698	1,960	2,628
DC.L.I—F–P **	National Average	63	442	1,397
	Small Businesses	58	410	1,293
DC.L.O—F–P **	National Average	783	2,307	3,294
	Small Businesses	733	2,164	3,060
DC.L.I—UC-Only †	National Average	86	121	135
	Small Businesses	78	107	116
DC.L.O—UC-Only †	National Average	35	144	288
	Small Businesses	32	131	259
UC.M—DC.M.I	National Average	0	72	87
	Small Businesses	0	67	81
UC.M—DC.M.O	National Average	0	79	89
	Small Businesses	0	73	82
UC.L—MC.L	National Average	4	101	74
	Small Businesses	NA	NA	NA
UC.M—MC.M	National Average	4	72	75
	Small Businesses	NA	NA	NA
Consumer Simple PBP (years)				
DC.L.I—CS-Only *	National Average	0.0	1.0	1.5
	Small Businesses	0.0	1.0	1.4
DC.L.O—CS-Only *	National Average	0.1	0.4	1.2
	Small Businesses	0.1	0.4	1.2
DC.L.I—F–P **	National Average	0.1	1.0	1.5
	Small Businesses	0.1	1.0	1.5
DC.L.O—F–P **	National Average	0.2	0.5	1.4
	Small Businesses	0.2	0.5	1.4
DC.L.I—UC-Only †	National Average	1.7	3.6	4.8
	Small Businesses	1.7	3.6	4.8
DC.L.O—UC-Only †	National Average	0.6	2.4	4.5
	Small Businesses	0.6	2.3	4.5
UC.M—DC.M.I	National Average	0.0	1.8	1.9
	Small Businesses	0.0	0.0	1.8
UC.M—DC.M.O	National Average	0.0	1.4	1.5
	Small Businesses	0.0	0.0	1.3
UC.L—MC.L	National Average	0.6	2.8	7.6
	Small Businesses	NA	NA	NA
UC.M—MC.M	National Average	0.6	2.4	3.0
	Small Businesses	NA	NA	NA

''NA'' indicates that these equipment classes are not commonly purchased by small businesses.

Note: DOE is examining the impacts of unit coolers (UC.M and UC.L) combined with medium-temperature dedicated condensing equipment (DC.M.I and DC.M.O), but DOE is not considering establishing standards for the latter equipment, as they are covered by the June 2014 final rule standards that were not vacated by the Fifth Circuit order.

* Condensing Unit Only (CU-Only): condensing unit-only. This analysis evaluates standard levels applied to a condensing unit for a scenario in which a new condensing unit is installed to replace a failed condensing unit, but the existing unit cooler is not replaced. See section IV.G.1.b for more details.

** Field-Paired (FP): field-paired unit cooler and condensing unit. This analysis evaluates a scenario in which both a new condensing unit and a new unit cooler are installed. See section IV.G.1.a for more details.

† Unit Cooler Only (UC-Only): unit cooler only. This analysis evaluates standard levels applied to a unit cooler for a scenario in which a new unit cooler is installed to replace a failed unit cooler, but the existing condensing unit (or multiplex system) is not replaced. See section IV.G.1.c for more details.

c. Rebuttable Presumption Payback

As discussed in section III.E.2, EPCA establishes a rebuttable presumption that an energy conservation standard is economically justified if the increased purchase cost for the equipment at issue meets the standard is less than three times the value of the first-year energy savings resulting from the standard. In calculating a rebuttable presumption payback period for each of the considered TSLs, DOE used discrete values, and, as required by EPCA, based the energy use calculation on the DOE test procedures for the considered WICF refrigeration systems. In contrast, the PBPs presented in section V.B.1.a were calculated using distributions that

reflect the range of energy use in the field that is likely seen by consumers of the WICF refrigeration systems.

Table V–23 presents the rebuttable-presumption payback periods for the considered TSLs for WICF refrigeration systems. These results show that, in most cases, the projected payback period will be three years or less for each of the different equipment classes with respect to each TSL examined. While DOE examined the rebuttable-presumption criterion, it also considered whether the standard levels considered for this rule are economically justified through a more detailed analysis of the economic impacts of those levels, pursuant to 42 U.S.C. 6295(o)(2)(B)(i) and 6316(a), that considers the full range of impacts to the consumer, manufacturer, Nation, and environment. The results of that analysis serve as the basis for DOE to definitively evaluate the economic justification for a potential standard level, thereby supporting or rebutting the results of any preliminary determination of economic justification.

TABLE V–23—REBUTTABLE PAYBACK PERIOD (YEARS) FOR WICF REFRIGERATION SYSTEMS

Equipment class (Design Path)	Trial standard level		
	1	2	3
DC.L.I (CU-Only) *	0.0	1.0	1.5
DC.L.O (CU-Only) *	0.1	0.4	1.2
DC.L.I (FP) **	0.1	1.0	1.5
DC.L.O (FP) **	0.2	0.5	1.4
DC.L.I (UC-Only) †	1.7	3.6	4.8
DC.L.O (UC-Only) †	0.6	2.4	4.5
UC.M–DC.M.I	0.0	0.0	1.8
UC.M–DC.M.O	0.0	0.0	1.4
UC.L–MC.L	0.6	2.8	7.6
UC.M–MC.M	0.6	2.4	3.0

Note: DOE is examining the impacts of unit coolers (UC.M and UC.L) combined with medium-temperature dedicated condensing equipment (DC.M.I and DC.M.O), but DOE is not considering establishing standards for the latter equipment, as they are covered by the June 2014 final rule standards that were not vacated by the Fifth Circuit order.

* CU-Only: Condensing unit-only. This analysis evaluates standard levels applied to a condensing unit distributed in commerce without a designated companion unit cooler for a scenario in which a new condensing unit is installed to replace a failed condensing unit, but the existing unit cooler is not replaced. See section IV.G.1.b for more details.

** FP: Field-paired unit cooler and condensing unit. This analysis evaluates standard levels applied to a condensing unit distributed in commerce without a designated companion unit cooler for a scenario in which both a new condensing unit and a new unit cooler are installed. See section IV.G.1.a for more details.

† UC-Only: Unit cooler only. This analysis evaluates standard levels applied to a unit cooler distributed in commerce without a designated companion condensing unit, either dedicated or multiplex, for a scenario in which a new unit cooler is installed to replace a failed unit cooler, but the existing condensing unit is not replaced. See section IV.G.1.c for more details.

2. Economic Impacts on Manufacturers

DOE performed an MIA to estimate the impact of the energy conservation standards on manufacturers of the seven WICF refrigeration system equipment classes being analyzed. The section below describes the expected impacts on manufacturers at each considered TSL. Chapter 12 of the final rule TSD explains the analysis in further detail.

Industry Cash Flow Analysis Results

Table V–24 and Table V–25 depict the financial impacts on manufacturers of the seven WICF refrigeration equipment classes being analyzed. The financial impacts on these manufacturers are represented by changes in INPV.

The impact of energy efficiency standards were analyzed under two manufacturer markup scenarios: (1) The preservation of gross margin percentage and (2) the preservation of operating profit. As discussed in section IV.J.3.d, DOE considered the preservation of gross margin percentage scenario by applying a uniform ''gross margin percentage'' markup across all efficiency levels. As production cost increases with efficiency, this scenario implies that the absolute dollar markup will increase. DOE assumed a manufacturer markup of 1.35 for WICF refrigeration systems. This manufacturer markup is consistent with the one DOE assumed in the engineering analysis and the no-new-standards case of the GRIM. WICF refrigeration manufacturers indicated that it is optimistic to assume that as their production costs increase in response to an efficiency standard, they would be able to maintain the same gross margin percentage markup. Therefore, DOE assumes that this scenario represents a high bound to industry profitability under an energy-conservation standard. It also represents a lower bound to expected consumer payback periods and end-user life cycle cost savings calculated in the NIA, since an upper bound to industry profitability is also the scenario in which the highest possible costs are being passed on to the end user.

The preservation of operating profit scenario reflects WICF refrigeration manufacturer concerns about their inability to maintain their margins as manufacturing production costs increase to reach more-stringent efficiency levels. In this scenario, while WICF refrigeration manufacturers make the necessary investments required to convert their facilities to produce new standards-compliant equipment, operating profit does not change in absolute dollars and decreases as a percentage of revenue.

Each of the modeled scenarios results in a unique set of cash-flows and corresponding industry values at each TSL. In the following discussion, the INPV results refer to the difference in industry value between the no-new-standards case and each standards case resulting from the sum of discounted cash-flows from 2016 (the base year) through 2049 (the end of the analysis period). To provide perspective on the short-run cash-flow impact, DOE includes in the discussion of the results a comparison of free cash-flow between the no-new-standards case and the standards case at each TSL in the year before new standards take effect.

Table V–24 and Table V–25 show the MIA results for each TSL using the markup scenarios described above for the seven WICF refrigeration system equipment classes being analyzed.

TABLE V–24—MANUFACTURER IMPACT ANALYSIS FOR WICF REFRIGERATION MANUFACTURERS UNDER THE PRESERVATION OF GROSS MARGIN MARKUP SCENARIO

	Units	No-new-standards case	Trial standard level		
			1	2	3
INPV	2015*$ MM*	97.9	97.1	96.4	91.7
Change in INPV ($)	2015*$ MM*	.....	(0.7)	(1.5)	(6.1)
Change in INPV (%)	%	.....	(0.8)	(1.5)	(6.3)
Product Conversion Costs	2015*$ MM*	1.7	3.0	6.0	14.0
Capital Conversion Costs	2015*$ MM*	.....	0.3	1.1	4.7
Total Investment Required	2015*$ MM*	1.7	3.3	7.1	18.7

TABLE V–25—MANUFACTURER IMPACT ANALYSIS FOR WICF REFRIGERATION MANUFACTURERS UNDER THE PRESERVATION OF OPERATING PROFIT MARKUP SCENARIO

	Units	No-new-standards case	Trial standard level		
			1	2	3
INPV	2015*$ MM*	97.9	96.6	93.4	83.6
Change in INPV ($)	2015*$ MM*	.....	(1.2)	(4.4)	(14.3)
Change in INPV (%)	%	.....	(1.2)	(4.5)	(14.6)
Product Conversion Costs	2015*$ MM*	1.7	3.0	6.0	14.0
Capital Conversion Costs	2015*$ MM*	.....	0.3	1.1	4.7
Total Investment Required	2015*$ MM*	1.7	3.3	7.1	18.7

As explained in section IV.J.3.d, DOE modeled the upfront testing and labeling costs in both the no-new-standards case and the standards cases. These costs total $1.7 million for the industry.

At TSL 1, DOE estimates impacts on INPV range from −$1.2 million to −$0.7 million, resulting in a change in INPV of −1.2 percent to −0.8 percent, respectively. At TSL 1, industry free cash-flow is expected to decrease by approximately 7.4 percent to $7.0 million, compared to the no-new standards case value of $7.5 million in 2019, the year leading up to the expected standards compliance date.

DOE expects WICF refrigeration manufacturers to incur approximately $3.0 million in product conversion costs for redesign, testing and labeling. DOE estimates that WICF refrigeration manufacturers will incur $0.3 million in capital conversion costs associated with TSL 1.

At TSL 1, the shipment-weighted average MPC increases by approximately 0.6 percent across all WICF refrigeration systems relative to the no-new standards case MPC in 2020, the expected year of compliance. In the preservation of gross margin markup scenario, WICF refrigeration manufacturers are able to fully pass on this slight cost increase to consumers. The increase in MSP is outweighed by the $3.3 million in conversion costs that WICF refrigeration manufacturers would incur, which causes a slight negative change in INPV at TSL 1 under the preservation of gross margin markup scenario.

Under the preservation of operating profit markup scenario, WICF refrigeration manufacturers earn the same operating profit as would be earned in the no-new standards case, but manufacturers do not earn additional profit from their investments. In this scenario, the 0.6 percent shipment-weighted average MPC increase results in a reduction in manufacturer markup after the compliance year. This reduction in manufacturer markup and the $3.3 million in conversion costs incurred by WICF refrigeration manufacturers cause a negative change in INPV at TSL 1 under the preservation of operating profit markup scenario.

At TSL 2, DOE estimates impacts on INPV range from −$4.4 million to −$1.5 million, resulting in a change in INPV of −4.5 percent to −1.5 percent. At TSL 2, industry free cash-flow is expected to decrease by approximately 24.7 percent to $5.7 million, compared to the no-new standards case value of $7.5 million in 2019, the year leading up to the expected standards compliance date.

DOE expects WICF refrigeration systems to incur approximately $6.0 million in product conversion costs for redesign, testing and labeling. DOE estimates WICF refrigeration manufacturers will incur $1.1 million in capital conversion costs associated with TSL 2 to invest in tooling necessary to update condensing system production equipment for models that do not meet the required efficiency levels.

At TSL 2, the shipment-weighted average MPC increases by approximately 3.5 percent for all WICF refrigeration systems relative to the no-new standards case MPC in 2020, the expected year of compliance. In the preservation of gross margin markup scenario, manufacturers are able to fully pass on this cost increase to consumers. The increase in MSP is outweighed by $7.1 million in conversion costs that WICF refrigeration manufacturers would incur, which causes a 1.5 percent drop in INPV at TSL 2.

Under the preservation of operating profit markup scenario, WICF refrigeration manufacturers earn the same per-unit operating profit as would be earned in the no-new standards case. This scenario results in a reduction in manufacturer markup after the compliance year. This reduction in manufacturer markup and the $7.1 million in conversion costs incurred by WICF refrigeration manufacturers cause a negative change in INPV at TSL 2 under the preservation of operating profit markup scenario.

At the max-tech level (TSL 3), DOE estimates impacts on INPV range from −$14.3 million to −$6.1 million, or a change in INPV of −14.6 percent to −6.3 percent. At TSL 3, industry free cash-flow is expected to decrease by approximately 79.5 percent to $1.5 million, compared to the no-new standards case value of $7.5 million in 2019, the year immediately prior to the

year of compliance for the new standards.

DOE expects manufacturers of WICF refrigeration systems to incur approximately $14.0 million in product conversion costs for redesign, testing and labeling. DOE estimates manufacturers will incur $4.7 million in capital conversion costs associated with TSL 3 to invest in tooling and machinery necessary to update condensing system production equipment for models that do not meet the required efficiency levels.

At TSL 3, the shipment-weighted average MPC increases by approximately 9.8 percent for all WICF refrigeration systems relative to the no-new standards case MPC in 2020, the expected year of compliance. In the preservation of gross margin markup scenario, manufacturers are able to fully pass on this cost increase to consumers. The increase in MSP is outweighed by $18.7 million in conversion costs that WICF refrigeration manufacturers would incur, which causes a negative change in INPV at TSL 3 under the preservation of gross margin markup scenario.

Under the preservation of operating profit markup scenario, WICF refrigeration manufacturers earn the same operating profit as would be earned in the no-new standards case, but they do not earn additional profit from their investments. In this scenario, the 9.8 percent shipment-weighted average MPC increase results in a reduction in manufacturer markup after the compliance year. This reduction in manufacturer markup and $18.7 million in conversion costs incurred cause a negative change in INPV at TSL 3 under the preservation of operating profit markup scenario.

a. Impacts on Direct Employment

To quantitatively assess the impacts of energy conservation standards on WICF refrigeration manufacturer employment, DOE used the GRIM to estimate the domestic labor expenditures and number of employees in the no-new-standards case and at each TSL. DOE used statistical data from the U.S. Census Bureau's 2014 Annual Survey of Manufacturers (''ASM'') and the results of the engineering analysis to calculate industry-wide labor expenditures and domestic employment levels. Labor expenditures related to equipment manufacturing depend on the labor intensity of the equipment, the sales volume, and an assumption that wages remain fixed in real terms over time. The total labor expenditures in each year are calculated by multiplying the MPCs by the labor percentage of MPCs.

The total labor expenditures in the GRIM were then converted to domestic production employment levels by dividing production labor expenditures by the annual payment per production worker (production worker hours multiplied by the labor rate found in the U.S. Census Bureau's 2014 ASM). The estimates of production workers in this section cover workers, including line supervisors, who are directly involved in fabricating and assembling equipment within the OEM facility. Workers performing services that are closely associated with production operations, such as materials handling tasks using forklifts, are also included as production labor. DOE's production worker estimates only account for workers who manufacture the seven equipment classes covered by this rulemaking. For example, a production line worker producing a dedicated condensing medium-temperature WICF refrigeration unit would not be included in the estimate of the production workers since dedicated condensing medium-temperature units are not covered in this rule.

DOE calculated the direct employment associated with the seven analyzed equipment classes by multiplying the number of production workers by the ratio of total employment to production workers reported in the 2014 ASM.

Using the GRIM, DOE estimates in the absence of new energy conservation standards, there would be 154 employees associated with the seven analyzed walk-in refrigeration system equipment classes in 2020. Of these workers, 112 are production workers and 42 are non-production workers. The employment impacts shown in Table V–26 represent the potential direct employment changes that could result following the compliance date for the seven WICF refrigeration equipment classes addressed in this rule. The upper end of the results in the table contains estimates regarding the maximum increase in direct employment after the implementation of new energy conservation standards. The table's results are based on the assumption that WICF refrigeration manufacturers would continue to produce the same scope of covered equipment within the United States. The lower end of the range represents the maximum decrease in the total number of U.S. production workers if production moved to lower labor-cost countries. Additional detail on the analysis of direct employment can be found in chapter 12 of the TSD.

TABLE V–26—DIRECT EMPLOYMENT FOR THE SEVEN REFRIGERATION EQUIPMENT CLASSES IN 2020

	No-standards case	Trial standard level		
		1	2	3
Production Workers in 2020 (without changes in production locations)	112	113	116	123
Direct Employment in 2020	154	155	159	169
Potential Changes in Direct Employment in 2020	.....	(112)—1	(112)—5	(112)—15

The direct employment impacts shown are independent of the employment impacts from the broader U.S. economy, which are documented in the Employment Impact Analysis found in chapter 13 of the TSD.

b. Impacts on Manufacturing Capacity

DOE did not identify any significant capacity constraints for the design options being evaluated for this rulemaking. For most WICF refrigeration manufacturers, the walk-in market makes up a relatively small percentage of their overall revenues. Additionally, most of the design options being evaluated are available as equipment options today. As a result, DOE does not anticipate that the industry will likely experience any capacity constraints directly resulting from any of the energy conservation standards considered by DOE in this rulemaking.

c. Impacts on Subgroups of Manufacturers

As discussed in section IV.J.2, using average cost assumptions to develop an industry cash-flow estimate may not be adequate for assessing differential impacts among manufacturer subgroups. Small manufacturers, niche equipment manufacturers, and manufacturers exhibiting a cost structure substantially different from the

industry average could be affected disproportionately. DOE used the results of the industry characterization performed in the market and technology assessment to group manufacturers exhibiting similar characteristics. Consequently, DOE analyzed small manufacturers as a sub-group for the final rule's analysis. Further details about the industry characterization can be found in section 0 and in chapter 3 of the final rule TSD.

DOE evaluated the impact of new energy conservation standards on small manufacturers, particularly those defined as ''small businesses'' by the SBA. The SBA defines a ''small business'' as having 1,250 employees or less for NAICS 333415, ''Air-Conditioning and Warm Air Heating Equipment and Commercial and Industrial Refrigeration Equipment Manufacturing.'' Using this definition, DOE identified three refrigeration system manufacturers. DOE describes the differential impacts on these small businesses in section VI.B of this document.

d. Cumulative Regulatory Burden

One aspect of assessing manufacturer burden involves looking at the cumulative impact of multiple DOE standards and the regulatory actions of other Federal agencies and States that affect the manufacturers of a covered product. DOE believes that a standard level is not economically justified if it contributes to an unacceptable cumulative regulatory burden. While any one regulation may not impose a significant burden on manufacturers, the combined effects of several existing or impending regulations may have serious consequences for some manufacturers, groups of manufacturers, or an entire industry. Multiple regulations affecting the same manufacturer can strain profits and lead companies to abandon product lines or markets with lower expected future returns than competing products. For these reasons, DOE conducts an analysis of cumulative regulatory burden as part of its rulemakings pertaining to appliance efficiency.

In addition to these energy conservation standards for WICF refrigeration systems, DOE identified other regulations that affect one or more WICF refrigeration system manufacturers and will take effect three years before or after the estimated 2020 compliance year, which is the time frame 2017 to 2023. While all of these regulations may not apply to each individual WICF refrigeration system manufacturer, a given manufacturer may be subject to one or more of these listed regulations depending on its particular product/equipment portfolio. DOE summarizes these regulations in Table V–27. Also, included in the table are Federal regulations that have compliance dates beyond the three years before or after the compliance date. Chapter 12 of the final rule TSD includes the full details of the cumulative regulatory burden.

TABLE V–27—OTHER DOE REGULATIONS POTENTIALLY AFFECTING WICF REFRIGERATION SYSTEM MANUFACTURERS

Federal energy conservation standard	Number of manufacturers *	Number of manufacturers affected by this WICF refrigeration rule **	Approx. standards year	Industry conversion costs millions $	Industry conversion costs/product revenue *** (%)
Commercial Refrigeration Equipment 79 FR 17725 (March 28, 2014).	54	5	2017	$184.0 Million (2012$)	1.5.
Non-vacated Walk-in Cooler and Walk-in Freezer Components 79 FR 32050 (June 3, 2014).	63	10	2017	33.6 Million (2012$)	2.6.
Automatic Commercial Icemakers 80 FR 4646 (January 28, 2015).	16	1	2018	$25.1 Million (2013$)	2.3.
Small, Large, and Very Large Commercial Package Air Conditioning and Heating Equipment 81 FR 2420 (January 15, 2016).	12	2	2018	$520.8 Million (2014$)	4.9.
Commercial Packaged Boilers 81 FR 15836 (June 9, 2016)	45	1	2019	$27.5 Million (2014$)	2.3.
Commercial Warm Air Furnaces 81 FR 2420 (January 15, 2016).	14	2	2019	$7.5 Million (2014$) to $22.2 Million (2014$).	1.7–5.1.
Commercial Water Heaters 81 FR 34440 (March 31, 2016)	25	1	2019	$29.8 Million (2014)	3.0.
Dehumidifiers 81 FR 38338 (June 13, 2016)	25	1	2019	$52.5 Million (2014)	4.5.
Furnace Fans 79 FR 38129 (July 3, 2014)	38	3	2019	$40.6 Million (2013$)	1.6.
Residential Boiler 81 FR 2320 (January 15, 2016)	36	1	2021	$2.5 Million (2014$)	Less than 1.
Direct Heating Equipment and Residential Water Heaters 75 FR 20112 (April 16, 2010) +.	39	1	2015	17.5 (2009$)	4.9.
Residential Central Air Conditioners and Heat Pumps 76 FR 37408 (June 27, 2011) +.	45	4	2015	$18.0 (2009$)	Less than 1.
External Power Supplies 79 FR 7846 (February 10, 2014) +	243	1	2016	$43.4 (2012$)	2.3.
Microwave Ovens 78 FR 36316 (June 17, 2013) +	12	1	2016	$43.1 (2011$)	Less than 1.
Battery Chargers 81 FR 38266 (June 13, 2016) +	30	1	2018	$19.5 (2013$)	Less than 1.

* This column presents the total number of manufacturers identified in the energy conservation standard rule contributing to cumulative regulatory burden.

** This column presents the number of manufacturers producing WICF refrigeration systems that are also listed as manufacturers in the energy conservation standard contributing to cumulative regulatory burden.

*** This column presents conversion costs as a percentage of cumulative revenue for the industry during the conversion period. The conversion period is the timeframe over which manufacturers must make conversion costs investments and lasts from the announcement year of the final rule to the standards year of the final rule. This period typically ranges from 3 to 5 years, depending on the energy conservation standard. The revenues figure includes revenue from just the covered product related to the individual row.

+ Consistent with Chapter 12 of the TSD, DOE has assessed whether this rule will have significant impacts on manufacturers that are also subject to significant impacts from other EPCA rules with compliance dates within three years of this rule's compliance date. However, DOE recognizes that a manufacturer incurs costs during some period before a compliance date as it prepares to comply, such as by revising product designs and manufacturing processes, testing products, and preparing certifications. As such, to illustrate a broader set of rules that may also create additional burden on manufacturers, DOE has expanded the timeframe of potential regulatory overlap to include other EPCA rules with compliance dates that fall within six years of compliance date of this rule. Note that this list of rules does not indicate that DOE considers any one particular rule to contribute significantly to cumulative impact. DOE has chosen to broaden its list of rules in order to provide additional information about its rulemaking activities.

This final rule establishes energy conservation standards for seven WICF refrigeration system equipment classes. The thirteen other standards established in the June 2014 final rule (that is, the four standards applicable to dedicated condensing refrigeration systems operating at medium temperatures; three standards applicable to panels;

and six standards applicable to doors) were not vacated and remain subject to the June 5, 2017 compliance date prescribed by the June 2014 final rule.[77]

DOE anticipates that ten manufacturers who would be subject to this final rule would also be subject to certain of the non-vacated standards, namely the refrigeration system standards applicable to dedicated condensing refrigeration systems operating at medium temperatures. Three of these manufacturers also produce panels and non-display doors, and would be subject to those non-vacated standards as well.

DOE discusses these and other requirements and includes the full details of the cumulative regulatory burden analysis in chapter 12 of the final rule TSD. DOE will continue to evaluate its approach to assessing cumulative regulatory burden for use in future rulemakings to ensure that it is effectively capturing the overlapping impacts of its regulations. DOE plans to seek public comment on the approaches it has used here (*i.e.,* both the 3 and 6 year timeframes from the compliance date) in order to better understand at what point in the compliance cycle manufacturers most experience the effects of cumulative and overlapping burden from the regulation of multiple product classes.

e. Impact on Manufacturers of Complete Walk-Ins

A manufacturer of a complete walk-in is the entity that assembles the complete walk-in cooler or walk-in freezer. In some cases, this may be an ''installer.'' Walk-in manufacturers have been subject to regulation since 2009, when EPCA's statutorily-prescriptive standards for walk-in coolers and freezers went into effect. 42 U.S.C. 6313(f)(1) EPCA required that all completed walk-ins must: have automatic door closers; have strip doors, spring hinged doors, or other method of minimizing infiltration when doors are open; and for all interior lights, use light sources with an efficacy of 40 lumens per watt or more. Furthermore, for walk-ins that use an evaporator fan motor with a rating of under 1 hp and less than 460 volts, that fan motor must be either a three-phase motor or an electronically commutated motor. Also, walk-in freezers with transparent reach-in doors must have triple-pane glass with either heat-reflective treated glass or gas fill for doors and windows. 42 U.S.C. 6313(f)(1)

Due to existing regulations, manufacturers of complete walk-ins have a responsibility to use components that comply with the applicable standards and to ensure the final assembled equipment satisfies the already statutorily-prescribed design requirements enacted by Congress. To aid manufacturers in meeting these responsibilities, DOE has established labeling requirements as part of a separate final rule amending the walk-in test procedure. 81 FR at 95782–95789 (December 28, 2016). As part of that rule, permanent nameplates must include information about the manufacturer or brand, and indicate that the component is suitable for walk-in use. In DOE's view, such a requirement will help reduce the burden on manufacturers of complete walk-ins, relative to the existing compliance regime, by allowing them to more easily identify and select compliant WICF components for assembly.

DOE notes that this final rule does not establish requirements that specify performance requirements for the complete walk-in. Manufacturers of complete walk-ins, including installers (*i.e.,* the parties that assemble the complete walk-in) have no paperwork or certification requirements as a result of this rule when using certified walk-in components. DOE was unable to identify installer conversion costs that would be likely to occur as a direct result of the standard since these costs are borne by component manufacturers. Installers will not have stranded assets, as they will be able to install certified components purchased before the compliance date. DOE finds the burdens on manufacturers of complete walk-ins to be *de minimis.* Manufacturers of complete walk-in have an existing obligation to ensure components comply with prescriptive requirements in EPCA. 42 U.S.C. 6313(f)(1) Based on today's standard, that process would be simplified, as *installers would be able to identify compliant components based on a required label.*

Companies that are both manufacturers of walk-in components and manufacturers of complete walk-ins must comply with standards for WICF components established in the June 2014 final rule for panels, doors, and medium-temperature dedicated condensing refrigeration systems. They would also need to comply with the standards for low-temperature dedicated condensing refrigeration systems and unit coolers established in this rule. Additionally, DOE notes that these entities are already responsible for complying with the statutorily-prescribed design standards for complete walk-ins.

As part of the court settlement reached in *Lennox Int'l* v. *Dep't of Energy,* DOE agreed to consider any comments regarding any potential impacts of the standards on installers and to consider and substantively address any potential impacts of the standards on installers in its MIA. See *Lennox Int'l* v. *Dep't of Energy,* Case No. 14–60535, Joint Settlement Motion (filed July 29, 2015) (5th Cir.). During the Working Group meetings, walk-in installers were represented by ACCA. As part of DOE's attempt to consider and address any potential installer impacts, the NOPR specifically sought comment on any conversion costs and stranded assets that walk-in installers might incur. See 81 FR at 63033 and 63048–63049 (detailing specific issues on which DOE sought input regarding potential installer-related impacts to the proposed rule).

Stakeholders raised one issue related to installers and the possibility of stranded assets. AHRI and Rheem noted that installers of complete walk-ins may have stranded assets if they are required to use components that are compliant at the time of the complete walk-in assembly. AHRI added that compliant components may not be available to installers until the compliance date of the new standards, leading to equipment availability constraints. (AHRI No. 90 at p. 3; Rheem No. 91 at p. 3)

DOE addresses this comment and clarifies the compliance date for manufacturers of complete walk-ins in section III.F.

3. National Impact Analysis

This section presents DOE's estimates of the national energy savings and the NPV of consumer benefits that would result from each of the TSLs considered as potential amended standards.

a. Significance of Energy Savings

To estimate the energy savings attributable to potential standards for the considered WICF refrigeration systems, DOE compared their energy consumption under the no-new-standards case to their anticipated energy consumption under each TSL. The savings are measured over the entire lifetime of equipment purchased in the 30-year period that begins in the year of anticipated compliance with the amended standards (2020–2049). Table V–28 presents DOE's projections of the national energy savings for each TSL considered for the considered WICF

[77] See *www.energy.gov/sites/prod/files/2016/02/f29/Enforcement%20Policy%20Statement%20-%20WICF%2002-01-16.pdf* (outlining DOE's enforcement discretion policy to not seek civil penalties or injunctive relief concerning certain violations of the WICF refrigeration systems standards established in the June 2014 rule that were not vacated).

refrigeration systems. The savings were calculated using the approach described in section IV.H of this document.

TABLE V–28—CUMULATIVE NATIONAL ENERGY SAVINGS FOR WICF REFRIGERATION SYSTEMS; 30 YEARS OF SHIPMENTS
[2020–2049]

	Trial standard level		
	1	2	3
	Quads		
Primary energy	0.1	0.5	0.8
FFC energy	0.1	0.5	0.9

OMB Circular A–4 [78] requires agencies to present analytical results, including separate schedules of the monetized benefits and costs that show the type and timing of benefits and costs. Circular A–4 also directs agencies to consider the variability of key elements underlying the estimates of benefits and costs. For this rulemaking, DOE undertook a sensitivity analysis using 9 years, rather than 30 years, of equipment shipments. The choice of a 9-year period is a proxy for the timeline in EPCA for the review of certain energy conservation standards and potential revision of and compliance with such revised standards.[79] The review timeframe established in EPCA is generally not synchronized with the product lifetime, product manufacturing cycles, or other factors specific to WICF refrigeration systems. Thus, such results are presented for informational purposes only and are not indicative of any change in DOE's analytical methodology. The NES sensitivity analysis results based on a 9-year analytical period are presented in Table V–29. The impacts are counted over the lifetime of the considered WICF refrigeration systems purchased in 2020–2028.

TABLE V–29—CUMULATIVE NATIONAL ENERGY SAVINGS FOR WICF REFRIGERATION SYSTEMS; 9 YEARS OF SHIPMENTS
[2020–2028]

	Trial standard level		
	1	2	3
	Quads		
Primary energy	0.03	0.1	0.2
FFC energy	0.03	0.1	0.2

b. Net Present Value of Consumer Costs and Benefits

DOE estimated the cumulative NPV of the total costs and savings for consumers that would result from the TSLs examined for the WICF refrigeration systems addressed in this final rule. In accordance with OMB's guidelines on regulatory analysis,[80] DOE calculated NPV using both a 7-percent and a 3-percent real discount rate. Table V–30 shows the consumer NPV results with impacts counted over the lifetime of products purchased in 2020–2049.

TABLE V–30—CUMULATIVE NET PRESENT VALUE OF CONSUMER BENEFITS FOR WICF REFRIGERATION SYSTEMS SHIPPED IN 2020–2049

Discount rate	Trial standard level		
	1	2	3
	Billion 2015$		
3 percent	0.5	2.0	3.2
7 percent	0.2	0.9	1.4

The NPV results based on the aforementioned 9-year analytical period are presented in Table V–31. The impacts are counted over the lifetime of products purchased in 2020–2028. As mentioned previously, such results are presented for informational purposes only and are not indicative of any

[78] U.S. Office of Management and Budget. *Circular A–4: Regulatory Analysis.* September 17, 2003. *www.whitehouse.gov/omb/circulars_a004_a-4/.*

[79] Section 325(m) of EPCA requires DOE to review its standards at least once every 6 years, and requires, for certain products, a 3-year period after any new standard is promulgated before compliance is required, except that in no case may any new standards be required within 6 years of the compliance date of the previous standards. While adding a 6-year review to the 3-year compliance period adds up to 9 years, DOE notes that it may undertake reviews at any time within the 6 year period and that the 3-year compliance date may yield to the 6-year backstop. A 9-year analysis period may not be appropriate given the variability that occurs in the timing of standards reviews and the fact that for some products, the compliance period is 5 years rather than 3 years.

[80] U.S. Office of Management and Budget. *Circular A–4: Regulatory Analysis.* September 17, 2003. *www.whitehouse.gov/omb/circulars_a004_a-4/.*

change in DOE's analytical methodology or decision criteria.

TABLE V–31 CUMULATIVE NET PRESENT VALUE OF CONSUMER BENEFITS FOR WICF REFRIGERATION SYSTEMS; NINE YEARS OF SHIPMENTS

[2020–2028]

Discount rate	Trial standard level		
	1	2	3
	Billion 2015$		
3 percent	0.2	0.4	1.5
7 percent	0.1	0.2	0.9

The above results reflect the use of a constant trend to estimate the change in price for the considered WICF refrigeration systems over the analysis period (see section IV.H.1). DOE also conducted a sensitivity analysis that considered one scenario with an increasing price trend and one scenario with a decreasing price trend. The results of these alternative cases are presented in appendix 10B of the final rule TSD.

c. Indirect Impacts on Employment

DOE expects that amended energy conservation standards for WICF refrigeration systems will reduce energy expenditures for consumers of those products, with the resulting net savings being redirected to other forms of economic activity. These expected shifts in spending and economic activity could affect the demand for labor. As described in section IV.N of this document, DOE used an input/output model of the U.S. economy to estimate indirect employment impacts of the TSLs that DOE considered. DOE understands that there are uncertainties involved in projecting employment impacts, especially changes in the later years of the analysis. Therefore, DOE generated results for near-term timeframes (2020–2025), where these uncertainties are reduced.

The results suggest that the adopted standards are likely to have a negligible impact on the net demand for labor in the economy. The net change in jobs is so small that it would be imperceptible in national labor statistics and might be offset by other, unanticipated effects on employment. Chapter 16 of the final rule TSD presents detailed results regarding anticipated indirect employment impacts.

4. Impact on Utility or Performance of Products

DOE tentatively concluded in the NOPR that the standards adopted in this final rule will not lessen the utility or performance of the WICF refrigeration systems under consideration in this rulemaking, based on testing conducted in support of the engineering analysis, and requested comment on this issue. 81 FR at 63035. DOE did not receive any comments suggesting that the selected standard levels would impact utility or performance and DOE notes that manufacturers of these equipment categories currently offer equipment that employ the various design options that would be needed to meet the adopted standards.

5. Impact of Any Lessening of Competition

DOE considered any lessening of competition that would be likely to result from new or amended standards. As discussed in section III.E.1.e, the Attorney General of the United States must assess a proposed rule to determine the impact, if any, of any lessening of competition likely to result from the proposed standard and to transmit such determination in writing to the Secretary within 60 days of the publication of a proposed rule, together with an analysis of the nature and extent of the impact. To assist the Attorney General in making this determination, DOE provided the Department of Justice (''DOJ'') with copies of the final rule and the TSD for review. In its assessment letter responding to DOE, DOJ concluded that, based on the information currently available, it does not believe that the proposed energy conservation standards for WICF refrigeration systems are likely to have a significant adverse impact on competition. DOE is publishing the Attorney General's assessment at the end of this final rule.

6. Need of the Nation To Conserve Energy

Enhanced energy efficiency, where economically justified, improves the Nation's energy security, strengthens the economy, and reduces the environmental impacts (costs) of energy production. Reduced electricity demand due to energy conservation standards is also likely to reduce the cost of maintaining the reliability of the electricity system, particularly during peak-load periods. As a measure of this reduced demand, chapter 15 in the final rule TSD presents the estimated reduction in generating capacity, relative to the no-new-standards case, for the TSLs that DOE considered in this rulemaking.

Energy conservation resulting from potential energy conservation standards for the considered WICF refrigeration systems is expected to yield environmental benefits in the form of reduced emissions of certain air pollutants and greenhouse gases. Table V–32 provides DOE's estimate of cumulative emissions reductions expected to result from the TSLs considered in this rulemaking. The emissions were calculated using the multipliers discussed in section IV.H.2. DOE reports annual emissions reductions for each TSL in chapter 13 of the final rule TSD.

TABLE V–32—CUMULATIVE EMISSIONS REDUCTION FOR WICF REFRIGERATION SYSTEMS SHIPPED IN 2020–2049

	Trial standard level		
	1	2	3
Power Sector Emissions			
CO_2 (million metric tons)	6.0	25.4	43.5
SO_2 (thousand tons)	4.9	21.0	35.9
NO_X (thousand tons)	3.2	13.8	23.6
Hg (tons)	0.0	0.1	0.1
CH_4 (thousand tons)	0.6	2.7	4.6
N_2O (thousand tons)	0.1	0.4	0.7
Upstream Emissions			
CO_2 (million metric tons)	0.3	1.4	2.4
SO_2 (thousand tons)	0.0	0.2	0.3
NO_X (thousand tons)	4.8	20.2	34.7
Hg (tons)	0.0001	0.0003	0.0006
CH_4 (thousand tons)	29.4	125	214
N_2O (thousand tons)	0.00	0.01	0.02
Total FFC Emissions			
CO_2 (million metric tons)	6.3	26.8	45.8
SO_2 (thousand tons)	5.0	21.1	36.2
NO_X (thousand tons)	8.0	34.0	58.2
Hg (tons)	0.0	0.1	0.1
CH_4 (thousand tons)	30.0	127	218
N_2O (thousand tons)	0.1	0.4	0.7

Negative values refer to an increase in emissions.

As part of the analysis for this rule, DOE estimated monetary benefits likely to result from the projected reductions of CO_2 emissions for each of the considered TSLs analyzed in this rulemaking. As discussed in section IV.L of this document, DOE used the most recent values for the SC–CO_2 developed by the interagency working group. The four sets of SC–CO_2 values correspond to the average values from distributions that use a 5-percent discount rate, a 3-percent discount rate, a 2.5-percent discount rate, and the 95th-percentile values from a distribution that uses a 3-percent discount rate. The actual SC–CO_2 values used for emissions in each year are presented in appendix 14A of the final rule TSD.

Table V–33 presents the global value of the CO_2 emissions reduction at each TSL. DOE calculated domestic values as a range from 7 percent to 23 percent of the global values; these results are presented in chapter 14 of the final rule TSD.

TABLE V–33—PRESENT VALUE OF CO_2 EMISSIONS REDUCTION FOR WICF REFRIGERATION SYSTEMS SHIPPED IN 2020–2049

TSL	SC-CO_2 case			
	5% discount rate, average	3% discount rate, average	2.5% discount rate, average	3% discount rate, 95th percentile
	Million 2015$			
1	44.7	204	324	623
2	190	867	1376	2643
3	325	1484	2355	4525

As discussed in section IV.L.2, DOE estimated monetary benefits likely to result from the reduced emissions of methane and N_2O that DOE estimated for each of the considered TSLs for WICF refrigeration systems. DOE used the recent values for the SC–CH_4 and SC–N_2O developed by the interagency working group. Table V–34 presents the value of the CH_4 emissions reduction at each TSL, and Table V–35 presents the value of the N_2O emissions reduction at each TSL.

TABLE V–34—PRESENT VALUE OF METHANE EMISSIONS REDUCTION FOR WICF REFRIGERATION SYSTEMS SHIPPED IN 2020–2049

TSL	SC-CH_4 case			
	5% discount rate, average	3% discount rate, average	2.5% discount rate, average	3% discount rate, 95th percentile
	Million 2015$			
1	9.5	30.1	42.6	80.2
2	40.3	128	181	340
3	69.0	218	309	582

TABLE V–35—PRESENT VALUE OF NITROUS OXIDE EMISSIONS REDUCTION FOR WICF REFRIGERATION SYSTEMS SHIPPED IN 2020–2049

TSL	SC-N_2O case			
	5% discount rate, average	3% discount rate, average	2.5% discount rate, average	3% discount rate, 95th percentile
	Million 2015$			
1	0.2	1.0	1.6	2.8
2	1.0	4.4	6.9	11.7
3	1.8	7.5	11.9	20.0

DOE is well aware that scientific and economic knowledge about the contribution of CO_2 and other GHG emissions to changes in the future global climate and the potential resulting damages to the world economy continues to evolve rapidly. Thus, any value placed on reduced GHG emissions in this rulemaking is subject to change. DOE, together with other Federal agencies, will continue to review various methodologies for estimating the monetary value of reductions in CO_2 and other GHG emissions. This ongoing review will consider the comments on this subject that are part of the public record for this and other rulemakings, as well as other methodological assumptions and issues. Consistent with DOE's legal obligations, and taking into account the uncertainty involved with this particular issue, DOE has included in this rule the most recent values resulting from the interagency review process. DOE notes, however, that the adopted standards would be economically justified even without inclusion of the monetized benefits accruing from reduced GHG emissions.

DOE also estimated the monetary value of the economic benefits associated with NO_X emissions reductions anticipated to result from the considered TSLs for WICF refrigeration systems. The dollar-per-ton values that DOE used are discussed in section IV.L of this document.

Table V–36 presents the present value for NO_X emissions reduction for each TSL calculated using 7-percent and 3-percent discount rates. This table presents results that use the low benefit-per-ton values, which reflect DOE's primary estimate. Results that reflect the range of NO_X benefit-per-ton values are presented in Table V–36.

TABLE V–36—PRESENT VALUE OF NO_X EMISSIONS REDUCTION FOR WICF REFRIGERATION SYSTEMS SHIPPED IN 2020–2049 *

TSL	3% discount rate	7% discount rate
	Million 2015$	
1	14.3	5.8
2	60.4	24.8
3	103	42.4

* Results are based on the low benefit-per-ton values.

7. Other Factors

The Secretary of Energy, in determining whether a standard is economically justified, may consider any other factors that the Secretary deems to be relevant. (42 U.S.C. 6295(o)(2)(B)(i)(VII) and 6316(a)) No other factors were considered in this analysis.

C. Summary of National Economic Impacts

Table V–37 presents the NPV values that result from adding the estimates of the potential economic benefits resulting from reduced GHG and NO_X emissions to the NPV of consumer savings calculated for each TSL considered in this rulemaking.

TABLE V–37—CONSUMER NPV COMBINED WITH PRESENT VALUE OF BENEFITS FROM EMISSIONS REDUCTIONS

TSL	Consumer NPV and low NO_X values at 3% discount rate added with:			
	GHG 5% discount rate, average case	GHG 3% discount rate, average case	GHG 2.5% discount rate, average case	GHG 3% Discount Rate, 95th percentile case
	Billion 2015$			
1	0.6	0.7	0.9	1.2
2	2.3	3.1	3.6	5.1
3	3.7	5.0	6.0	8.4
TSL	Consumer NPV and Low NO_X Values at 7% Discount Rate Added with:			
	GHG 5% discount rate, average case	GHG 3% discount rate, average case	GHG 3% discount rate, average case	GHG 3% discount rate, 95th percentile case
	Billion 2015$			
1	0.3	0.5	0.6	0.9
2	1.1	1.9	2.5	3.9
3	1.8	3.1	4.1	6.5

Note: The GHG benefits include the estimated benefits for reductions in CO_2, CH_4, and N_2O emissions using the four sets of SC–CO_2, SC–CH_4, and SC–N_2O values developed by the interagency working group.

The national operating cost savings are domestic U.S. monetary savings that occur as a result of purchasing the considered WICF refrigeration equipment, and are measured for the lifetime of products shipped in 2020–2049. The benefits associated with reduced GHG emissions achieved as a result of the adopted standards are also calculated based on the lifetime of WICF refrigeration systems shipped in 2020–2049. However, the GHG reduction is a benefit that accrues globally. Because CO_2 emissions have a very long residence time in the atmosphere, the SC–CO_2 values for future emissions reflect climate-related impacts that continue through 2300.

D. Conclusion

When considering new or amended energy conservation standards, the standards that DOE adopts for walk-ins must be designed to achieve the maximum improvement in energy efficiency that the Secretary determines is technologically feasible and economically justified. (42 U.S.C. 6295(o)(2)(A) and 6316(a)) In determining whether a standard is economically justified, the Secretary must determine whether the benefits of the standard exceed its burdens by, to the greatest extent practicable, considering the seven statutory factors discussed previously. (42 U.S.C. 6295(o)(2)(B)(i) and 6316(a)) The new or amended standard must also result in significant conservation of energy. (42 U.S.C. 6295(o)(3)(B) and 6316(a)).

For this final rule, DOE considered the impacts of standards for the considered WICF refrigeration systems at each TSL, beginning with the maximum technologically feasible level, to determine whether that level was economically justified. Where the max-tech level was not justified, DOE then considered the next most efficient level and undertook the same evaluation until it reached the highest efficiency level that is both technologically feasible and economically justified and saves a significant amount of energy.

To aid the reader as DOE discusses the benefits and/or burdens of each TSL, tables in this section present a summary of the results of DOE's quantitative analysis for each TSL. In addition to the quantitative results presented in the tables, DOE also considers other burdens and benefits that affect economic justification. These include the impacts on identifiable subgroups of consumers who may be disproportionately affected by a national standard and impacts on employment.

1. Benefits and Burdens of TSLs Considered for WICF Refrigeration System Standards

Table V–38 and Table V–39 summarize the quantitative impacts estimated for each TSL for the considered WICF refrigeration systems. The national impacts are measured over the lifetime of WICF refrigeration systems purchased in the 30-year period that begins in the anticipated year of compliance with amended standards (2020–2049). The energy savings, emissions reductions, and value of emissions reductions refer to full-fuel-cycle results. The efficiency levels contained in each TSL are described in section V.A of this document.

TABLE V–38—SUMMARY OF ANALYTICAL RESULTS FOR WICF REFRIGERATION SYSTEMS TSLS: NATIONAL IMPACTS

Category	TSL 1	TSL 2	TSL 3
Cumulative FFC National Energy Savings (*quads*)			
Quads	0.1	0.5	0.9
NPV of Consumer Costs and Benefits (*billion 2015$*)			
3% discount rate	0.5	2.0	3.2
7% discount rate	0.2	0.9	1.4

TABLE V–38—SUMMARY OF ANALYTICAL RESULTS FOR WICF REFRIGERATION SYSTEMS TSLS: NATIONAL IMPACTS—Continued

Category	TSL 1	TSL 2	TSL 3
Cumulative FFC Emissions Reduction			
CO_2 (*million metric tons*)	6.3	26.8	45.8
SO_2 (*thousand tons*)	5.0	21.1	36.2
NO_X (*thousand tons*)	8.0	34.0	58.2
Hg (*tons*)	0.02	0.07	0.12
CH_4 (*thousand tons*)	30.0	127	218
N_2O (*thousand tons*)	0.1	0.4	0.7
Value of Emissions Reduction			
CO_2 (*Billion 2015$*) *	0.0 to 0.6	0.2 to 2.6	0.3 to 4.5
CH_4 (*billion 2015$*)	0.0 to 0.1	0.0 to 0.3	0.1 to 0.6
N_2O (*million 2015$*)	0.000 to 0.003	0.001 to 0.012	0.002 to 0.020
NO_X—3% discount rate (*million 2015$*)	14	60	103
NO_X—7% discount rate (*million 2015$*)	6	25	42

Parentheses indicate negative (−) values.
* Range of the economic value of CO_2 reductions is based on estimates of the global benefit of reduced CO_2 emissions.

TABLE V–39—SUMMARY OF ANALYTICAL RESULTS FOR WICF REFRIGERATION EQUIPMENT TSLS: MANUFACTURER AND CONSUMER IMPACTS ‡

Category	TSL 1 *	TSL 2 *	TSL 3 *
Manufacturer Impacts			
Industry NPV (2015$ million) (No-new-standards case INPV = 97.9)	96.6–97.1	93.4–96.4	83.6–91.7
Industry NPV (*% change*)	(1.2)–(0.8)	(4.5)–(1.5)	(14.6)–(6.3)
Consumer Average LCC Savings (2015$)			
DC.L.I (CU-Only) *	26	387	1,272
DC.L.O (CU-Only)	753	2,097	2,839
DC.L.I (Field-Paired) **	63	442	1,397
DC.L.O (Field-Paired)	783	2,307	3,294
DC.L.I (UC-Only) †	86	121	135
DC.L.O (UC-Only)	35	144	288
UC.M—DC.M.I	0	72	87
UC.M—DC.M.O	0	79	89
UC.L—MC.L (UC-Only)	4	101	74
UC.M—MC.M (UC-Only)	4	72	75
Shipment-Weighted Average	107	393	615
Consumer Simple PBP (years)			
DC.L.I (CU-Only) *	0.0	1.0	1.5
DC.L.O (CU-Only) *	0.1	0.4	1.2
DC.L.I (Field -Paired) **	0.1	1.0	1.5
DC.L.O (FP) **	0.2	0.5	1.4
DC.L.I (UC-Only) †	1.7	3.6	4.8
DC.L.O (UC-Only) †	0.6	2.4	4.5
UC.M—DC.M.I	0.0	0.0	1.8
UC.M—DC.M.O	0.0	1.4	1.5
UC.L—MC.L (UC-Only)	0.6	2.8	7.6
UC.M—MC.M (UC-Only)	0.6	2.4	3.0
Shipment-Weighted Average	0.2	1.2	2.2
% of Consumers that Experience Net Cost			
DC.L.I (CU-Only) *	0	0	0
DC.L.O (CU-Only) *	0	0	0
DC.L.I (FP) **	0	0	0
DC.L.O (FP) **	0	0	0
DC.L.I (UC-Only) †	2	6	15
DC.L.O (UC-Only) †	0	3	15
UC.M—DC.M.I	0	1	1
UC.M—DC.M.O	0	0	1
UC.L—MC.L (UC-Only)	2	9	49
UC.M—MC.M (UC-Only)	1	2	8

TABLE V–39—SUMMARY OF ANALYTICAL RESULTS FOR WICF REFRIGERATION EQUIPMENT TSLS:—Continued MANUFACTURER AND CONSUMER IMPACTS ‡

Category	TSL 1 *	TSL 2 *	TSL 3 *
Shipment-Weighted Average	0	1	5

Parentheses indicate negative (−) values. Weighted results are by shares of each product class in total projected shipments in 2020.

* CU-Only: Condensing unit-only. This analysis evaluates standard levels applied to a condensing unit distributed in commerce without a designated companion unit cooler for a scenario in which a new condensing unit is installed to replace a failed condensing unit, but the existing unit cooler is not replaced. See section IV.G.1.b for more details.

** FP: Field-paired unit cooler and condensing unit. This analysis evaluates standard levels applied to a condensing unit distributed in commerce without a designated companion unit cooler for a scenario in which both a new condensing unit and a new unit cooler are installed. See section IV.G.1.a for more details.

† UC-Only: Unit cooler only. This analysis evaluates standard levels applied to a unit cooler distributed in commerce without a designated companion condensing unit, either dedicated or multiplex, for a scenario in which a new unit cooler is installed to replace a failed unit cooler, but the existing condensing unit is not replaced. See section IV.G.1.c for more details.

‡ For this NOPR, DOE is examining the impacts of unit coolers (UC.M and UC.L) combined with medium—temperature dedicated condensing equipment (DC.M.I and DC.M.O), but DOE is not considering establishing standards for the latter equipment, as they are covered by the June 2014 final rule standards that were not vacated by the Fifth Circuit order.

DOE first considered TSL 3, which represents the max-tech efficiency levels. TSL 3 would save an estimated 0.85 quads of energy, an amount DOE considers significant. Under TSL 3, the NPV of consumer benefit would be $1.4 billion using a discount rate of 7 percent, and $3.2 billion using a discount rate of 3 percent.

The cumulative emissions reductions at TSL 3 are 48.5 Mt of CO_2, 36.2 thousand tons of SO_2, 58.2 thousand tons of NO_X, 0.12 ton of Hg, 218 thousand tons of CH_4, and 0.7 thousand tons of N_2O. The estimated monetary value of the GHG emissions reduction at TSL 3 ranges from $325 million to $4,525 million for CO_2, from $69 million to $582 million for CH_4, and from $1.8 million to $20 million for N_2O. The estimated monetary value of the NO_X emissions reduction at TSL 3 is $42 million using a 7-percent discount rate and $103 million using a 3-percent discount rate.

At TSL 3, the average LCC impact for low-temperature dedicated condensing units is a savings of $1,272 for DC.L.I, $2,839 for DC.L.O for the condensing unit-only; $1,397 for DC.L.I , $3,294 for DC.L.O for field-paired equipment. The average LCC impact for low-temperature unit coolers (UC.L) is a savings of $135 and $288 when connected to indoor and outdoor low-temperature dedicated condensing units, respectively, and $74 when connected to low-temperature multiplex condensing equipment. The average LCC impact for medium-temperature unit coolers (UC.M) is a savings of $87 and $89 when connected to indoor and outdoor medium-temperature dedicated condensing units, respectively, and $75 when connected to medium-temperature multiplex condensing equipment. The simple payback period impact for low-temperature dedicated condensing units is 1.5 years for DC.L.I and, 1.2 years for DC.L.O for the condensing unit-only; 1.5 years for DC.L.I and, 1.4 years for DC.L.O for field-paired equipment. The simple payback period for low-temperature unit coolers (UC.L) is 4.8 years and 4.5 years when connected to indoor and outdoor low-temperature dedicated condensing units, respectively, and 7.6 years when connected to low-temperature multiplex condensing equipment. The simple payback period for medium-temperature unit coolers (UC.M) is 1.9 years and 1.5 years when connected to indoor and outdoor medium-temperature dedicated condensing units, respectively, and 3.0 years when connected to medium-temperature multiplex condensing equipment. The fraction of consumers experiencing a net LCC cost is zero percent for DC.L.I and DC.L.O for condensing unit-only; and zero percent for DC.L.I, and DC.L.O for field-paired equipment. The fraction of consumers experiencing a net LCC cost for low-temperature unit coolers (UC.L) is 15 percent when connected to indoor and outdoor low-temperature dedicated condensing units, respectively, and 49 percent when connected to low-temperature multiplex condensing equipment. The fraction of consumers experiencing a net LCC cost for medium-temperature unit coolers (UC.M) is 1 percent when connected to indoor and outdoor medium-temperature dedicated condensing units, and 8 percent when connected to medium-temperature multiplex condensing equipment. At TSL 3, the projected change in INPV ranges from a decrease of $14.3 million to a decrease of $6.1 million, which corresponds to decreases of 14.6 percent and 6.3 percent, respectively.

In addition, the adopted TSL 3 standards are consistent with the unanimous recommendations submitted by the Working Group and approved by the ASRAC. (See: Term Sheet at EERE–2015–BT–STD–0016–0056, recommendation #5) DOE has encouraged the negotiation of standard levels, in accordance with the FACA and the NRA, as a means for interested parties, representing diverse points of view, to analyze and recommend energy conservation standards to DOE. Such negotiations may often expedite the rulemaking process. In addition, standard levels recommended through a negotiation may increase the likelihood for regulatory compliance, while decreasing the risk of litigation.

After considering the analysis and weighing the benefits and burdens, the Secretary has concluded that at TSL 3 for the considered WICF refrigeration systems, the benefits of energy savings, positive NPV of consumer benefits, emission reductions, the estimated monetary value of the emissions reductions, and positive average LCC savings would collectively outweigh the negative impacts on some consumers and on manufacturers. As noted earlier, DOE's analysis of this level is independent of any benefits that may accrue from the reduction of GHG and NO_X projected to occur with this level. Accordingly, the Secretary has concluded that TSL 3 would offer the maximum improvement in efficiency that is both technologically feasible and economically justified. The Secretary has also concluded that TSL3 would result in the significant conservation of energy.

Therefore, based on the above considerations, DOE is adopting the energy conservation standards for WICF refrigeration systems at TSL 3. These adopted energy conservation standards for the considered WICF refrigeration systems, which are expressed as AWEF, are shown in Table V–40.

TABLE V–40—ADOPTED ENERGY CONSERVATION STANDARDS FOR WICF REFRIGERATION SYSTEMS

Equipment class	Capacity (C_{net*}) (*Btu/h*)	Minimum AWEF (*Btu/W-h*)
Unit Coolers—Low-Temperature	<15,500	$1.575 * 10^{-5} * q_{net} + 3.91$
	≥15,500	4.15
Unit Coolers—Medium-Temperature	All	9.00
Dedicated Condensing System—Low-Temperature, Outdoor	<6,500	$6.522 * 10^{-5} * q_{net} + 2.73$
	≥6,500	3.15
Dedicated Condensing System—Low-Temperature, Indoor	<6,500	$9.091 * 10^{-5} * q_{net} + 1.81$
	≥6,500	2.40

* Where q_{net} is net capacity as determined and certified pursuant 10 CFR 431.304.

2. Annualized Benefits and Costs of the Adopted Standards

The benefits and costs of the adopted standards can also be expressed in terms of annualized values. The annualized net benefit is (1) the annualized national economic value (expressed in 2015$) of the benefits from operating walk-in refrigeration systems that meet the adopted standards (consisting primarily of operating cost savings from using less energy), minus increases in equipment purchase costs, and (2) the annualized monetary value of the benefits of GHG and NO_X emission reductions.

Table V–41 shows the annualized values for the considered WICF refrigeration systems under TSL 3, expressed in 2015$. The results under the primary estimate are as follows.

Using a 7-percent discount rate for benefits and costs other than GHG reductions (for which DOE used average social costs with a 3-percent discount rate),[81] the estimated cost of the adopted standards for the considered WICF refrigeration systems is $34 million per year in increased equipment costs, while the estimated annual benefits are $169 million in reduced equipment operating costs, $95 million in GHG reductions, and $4.2 million in reduced NO_X emissions. In this case, the net benefit amounts to $234 million per year.

Using a 3-percent discount rate for all benefits and costs, the estimated cost of the adopted standards for the considered WICF refrigeration systems is $36 million per year in increased equipment costs, while the estimated annual benefits are $213 million in reduced operating costs, $95 million in CO_2 GHG reductions, and $5.8 million in reduced NO_X emissions. In this case, the net benefit amounts to $279 million per year.

TABLE V–41—SELECTED CATEGORIES OF ANNUALIZED BENEFITS AND COSTS OF ADOPTED STANDARDS (TSL 3) FOR WICF REFRIGERATION SYSTEMS

	Discount rate (percent)	Primary estimate	Low-net-benefits estimate	High-net-benefits estimate
		Million 2015$/year		
Benefits				
Consumer Operating Cost Savings	7	169.3	158.4	183.0.
	3	213.4	196.9	233.9.
GHG Reduction (using avg. social costs at 5% discount rate) **.	5	29.8	27.2	32.4.
GHG Reduction (using avg. social costs at 3% discount rate) **.	3	95.3	86.7	104.0.
GHG Reduction (using avg. social costs at 2.5% discount rate) **.	2.5	137.7	125.1	150.4.
GHG Reduction (using 95th percentile social costs at 3% discount rate) **.	3	285.8	259.8	311.9.
NO_X Reduction †	7	4.2	3.9	10.1.
	3	5.8	5.3	14.3.
Total Benefits ††	7 plus GHG range	203 to 459	190 to 422	225 to 505.
	7	269	249	297.
	3 plus GHG range	249 to 505	229 to 462	281 to 560.
	3	314	289	352.
Costs				
Consumer Incremental Equipment Costs	7	34	36	33.
	3	36	38	34.
Net Benefits				
Total ††	7 plus GHG range	169 to 425	154 to 386	192 to 472.
	7	234	213	264.

[81] DOE used average social costs with a 3-percent discount rate these values are considered as the ''central'' estimates by the interagency group.

TABLE V–41—SELECTED CATEGORIES OF ANNUALIZED BENEFITS AND COSTS OF ADOPTED STANDARDS (TSL 3) FOR WICF REFRIGERATION SYSTEMS—Continued

	Discount rate (percent)	Primary estimate	Low-net-benefits estimate	High-net-benefits estimate
		Million 2015$/year		
	3 plus GHG range	213 to 469	192 to 424	247 to 526.
	3	279	251	318.

* This table presents the annualized costs and benefits associated with the considered WICF refrigeration systems shipped in 2020–2049. These results include benefits to consumers which accrue after 2049 from the WICF refrigeration systems purchased from 2020–2049. The incremental installed costs include incremental equipment cost as well as installation costs. The results account for the incremental variable and fixed costs incurred by manufacturers due to the adopted standards, some of which may be incurred in preparation for the rule. The GHG reduction benefits are global benefits due to actions that occur nationally. The Primary, Low Net Benefits, and High Net Benefits Estimates utilize projections of energy prices and real GDP from the *AEO2016* No-CPP case, a Low Economic Growth case, and a High Economic Growth case, respectively. In addition, incremental product costs reflect constant prices in the Primary Estimate, a low decline rate in the Low Benefits Estimate, and a high decline rate in the High Benefits Estimate. The methods used to derive projected price trends are explained in section IV.G. Note that the Benefits and Costs may not sum to the Net Benefits due to rounding. The equipment price projection is described in section IV.G.2 of this document and chapter 8 of the final rule technical support document (TSD). In addition, DOE used estimates for equipment efficiency distribution in its analysis based on national data supplied by industry. Purchases of higher efficiency equipment are a result of many different factors unique to each consumer including boiler heating loads, installation costs, site environmental consideration, and others. For each consumer, all other factors being the same, it would be anticipated that higher efficiency purchases in the baseline would correlate positively with higher energy prices. To the extent that this occurs, it would be expected to result in some lowering of the consumer operating cost savings from those calculated in this rule.

** The interagency group selected four sets of SC-CO_2 SC-CH_4, and SC-N_2O values for use in regulatory analyses. Three sets of values are based on the average social costs from the integrated assessment models, at discount rates of 5 percent, 3 percent, and 2.5 percent. The fourth set, which represents the 95th percentile of the social cost distributions calculated using a 3-percent discount rate, is included to represent higher-than-expected impacts from climate change further out in the tails of the social cost distributions. The social cost values are emission year specific. See section IV.L for more details.

† DOE estimated the monetized value of NO_X emissions reductions associated with electricity savings using benefit per ton estimates from the *Regulatory Impact Analysis for the Clean Power Plan Final Rule,* published in August 2015 by EPA's Office of Air Quality Planning and Standards. (Available at *www.epa.gov/cleanpowerplan/clean-power-plan-final-rule-regulatory-impact-analysis*.) See section IV.M.3 for further discussion. For the Primary Estimate and Low Net Benefits Estimate, DOE used national benefit-per-ton estimates for NO_X emitted from the Electric Generating Unit sector based on an estimate of premature mortality derived from the ACS study (Krewski *et al.* 2009). For the High Net Benefits Estimate, the benefit-per-ton estimates were based on the Six Cities study (Lepuele *et al.* 2011); these are nearly two-and-a-half times larger than those from the ACS study.

†† Total Benefits for both the 3-percent and 7-percent cases are presented using the average social costs with 3-percent discount rate. In the rows labeled ''7% plus GHG range'' and ''3% plus GHG range,'' the operating cost and NO_X benefits are calculated using the labeled discount rate, and those values are added to the full range of social cost values.

VI. Procedural Issues and Regulatory Review

A. Review Under Executive Orders 12866 and 13563

Section 1(b)(1) of Executive Order 12866, ''Regulatory Planning and Review,'' 58 FR 51735 (October 4, 1993), requires each agency to identify the problem that it intends to address, including, where applicable, the failures of private markets or public institutions that warrant new agency action, as well as to assess the significance of that problem. The problems that the adopted standards for WICF refrigeration systems are intended to address are as follows:

(1) Insufficient information and the high costs of gathering and analyzing relevant information leads some consumers to miss opportunities to make cost-effective investments in energy efficiency.

(2) In some cases the benefits of more efficient equipment are not realized due to misaligned incentives between purchasers and users. An example of such a case is when the equipment purchase decision is made by a building contractor or building owner who does not pay the energy costs.

(3) There are external benefits resulting from improved energy efficiency of products or equipment that are not captured by the users of such equipment. These benefits include externalities related to public health, environmental protection and national energy security that are not reflected in energy prices, such as reduced emissions of air pollutants and greenhouse gases that impact human health and global warming. DOE attempts to qualify some of the external benefits through use of social cost of carbon values.

The Administrator of the Office of Information and Regulatory Affairs (''OIRA'') in the OMB has determined that the regulatory action in this document is a significant regulatory action under section (3)(f) of Executive Order 12866. Accordingly, pursuant to section 6(a)(3)(B) of the Order, DOE has provided to OIRA: (i) The text of the draft regulatory action, together with a reasonably detailed description of the need for the regulatory action and an explanation of how the regulatory action will meet that need; and (ii) an assessment of the potential costs and benefits of the regulatory action, including an explanation of the manner in which the regulatory action is consistent with a statutory mandate. DOE has included these documents in the rulemaking record.

In addition, the Administrator of OIRA has determined that the regulatory action is an ''economically'' significant regulatory action under section (3)(f)(1) of Executive Order 12866. Accordingly, pursuant to section 6(a)(3)(C) of the Order, DOE has provided to OIRA an assessment, including the underlying analysis, of benefits and costs anticipated from the regulatory action, together with, to the extent feasible, a quantification of those costs; and an assessment, including the underlying analysis, of costs and benefits of potentially effective and reasonably feasible alternatives to the planned regulation, and an explanation why the planned regulatory action is preferable to the identified potential alternatives. These assessments can be found in the technical support document for this rulemaking.

DOE has also reviewed this regulation pursuant to Executive Order 13563, issued on January 18, 2011. 76 FR 3281, January 21, 2011. E.O. 13563 is

supplemental to and explicitly reaffirms the principles, structures, and definitions governing regulatory review established in Executive Order 12866. To the extent permitted by law, agencies are required by Executive Order 13563 to (1) propose or adopt a regulation only upon a reasoned determination that its benefits justify its costs (recognizing that some benefits and costs are difficult to quantify); (2) tailor regulations to impose the least burden on society, consistent with obtaining regulatory objectives, taking into account, among other things, and to the extent practicable, the costs of cumulative regulations; (3) select, in choosing among alternative regulatory approaches, those approaches that maximize net benefits (including potential economic, environmental, public health and safety, and other advantages; distributive impacts; and equity); (4) to the extent feasible, specify performance objectives, rather than specifying the behavior or manner of compliance that regulated entities must adopt; and (5) identify and assess available alternatives to direct regulation, including providing economic incentives to encourage the desired behavior, such as user fees or marketable permits, or providing information upon which choices can be made by the public.

DOE emphasizes as well that Executive Order 13563 requires agencies to use the best available techniques to quantify anticipated present and future benefits and costs as accurately as possible. In its guidance, OIRA has emphasized that such techniques may include identifying changing future compliance costs that might result from technological innovation or anticipated behavioral changes. For the reasons stated in the preamble, DOE believes that this final rule is consistent with these principles, including the requirement that, to the extent permitted by law, benefits justify costs.

B. Review Under the Regulatory Flexibility Act

The Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*) requires preparation of an initial regulatory flexibility analysis (''IRFA'') and a final regulatory flexibility analysis (''FRFA'') for any rule that by law must be proposed for public comment, unless the agency certifies that the rule, if promulgated, will not have a significant economic impact on a substantial number of small entities. As required by Executive Order 13272, ''Proper Consideration of Small Entities in Agency Rulemaking,'' 67 FR 53461 (August 16, 2002), DOE published procedures and policies on February 19, 2003, to ensure that the potential impacts of its rules on small entities are properly considered during the rulemaking process. 68 FR 7990. DOE has made its procedures and policies available on the Office of the General Counsel's Web site (*http://energy.gov/gc/office-general-counsel*). DOE has prepared the following FRFA for the products that are the subject of this rulemaking.

A manufacturer of a walk-in cooler or walk-in freezer is any person who: (1) Manufactures a component of a walk-in cooler or walk-in freezer (collectively, ''walk-ins'' or ''WICFs'') that affects energy consumption, including, but not limited to, refrigeration, doors, lights, windows, or walls; or (2) manufactures or assembles the complete walk-in cooler or walk-in freezer. 10 CFR 431.302. DOE considers manufacturers of refrigeration components (WICF refrigeration manufacturers) and assemblers of the complete walk-in (installers) separately for this Regulatory Flexibility Review.

This document sets energy conservation standard for seven equipment classes of WICF refrigeration systems. Manufacturers of WICF refrigeration systems are responsible for ensuring the compliance of the components to the new standard. WICF refrigeration manufacturers are required to certify to DOE that the components they manufacture or import comply with the applicable standards. DOE used the SBA's small business size standards to determine whether any small WICF refrigeration system manufacturers would be subject to the requirements of the rule. *See* 13 CFR part 121. WICF refrigeration manufacturing is classified under NAICS 333415, ''Air-Conditioning and Warm Air Heating Equipment and Commercial and Industrial Refrigeration Equipment Manufacturing.'' The SBA sets a threshold of 1,250 employees or less for an entity to be considered as a small business for this category.

This document does not include new or amended energy conservation standards that are measured in terms of the performance of the complete walk-in cooler or freezer. Manufacturers (which may be on-site installers) assemble certified components that have been previously tested and rated, such as panels, doors, and refrigeration systems, to complete the walk-in on-site. However, they are not required to certify compliance of their installations to DOE for energy conservation standards. Installers of complete walk-ins are categorized under NAICS 238220, which covers ''refrigeration contractors.'' SBA has set a revenue threshold of $15 million or less for an entity to be considered small for this category. However, given the lack of publicly available revenue information for walk-in assemblers and installers, DOE chose to use a threshold of 1,250 employees or less to be small in order to be consistent with the threshold for WICF component manufacturers. Based on these thresholds, DOE presents the following FRFA analysis:

1. Need for, and Objectives of, the Rule

Title III, Part C of the Energy Policy and Conservation Act of 1975, as amended (''EPCA'') (codified at 42 U.S.C. 6291–6309) established the Energy Conservation Program for Certain Industrial Equipment, which covers certain industrial equipment, including the walk-in refrigeration systems addressed in this rulemaking—low-temperature dedicated condensing systems and low- and medium-temperature unit coolers. (42 U.S.C. 6311(1)(G)) EPCA established prescriptive standards for these equipment, see 42 U.S.C. 6313(f), and required DOE to establish performance-based standards for walk-ins that achieve the maximum improvement in energy that the Secretary determines is technologically feasible and economically justified. See 42 U.S.C. 6313(f)(4)

As noted elsewhere in this document, DOE published and codified a final rule that requires walk-in manufacturers to meet certain performance-based energy conservation standards starting on June 5, 2017. See 10 CFR 431.306(e). Those standards applied to the main components of a walk-in: Refrigeration systems, panels, and doors.[82] Also as discussed earlier in this document, a legal challenge was filed in this matter, which resulted in a settlement agreement and court order in which the United States Court of Appeals for the Fifth Circuit vacated six refrigeration system standards—(1) the two energy conservation standards applicable to multiplex condensing refrigeration systems (re-named unit coolers for purposes of this rule) operating at medium and low temperatures and (2) the four energy conservation standards applicable to dedicated condensing refrigeration systems operating at low temperatures. This final rule, which was the result of a months-long negotiated

[82] Although DOE had considered alternative performance-based standards for panels in a NOPR published September 11, 2013 (78 FR 55782, 55784), the June 2014 final rule did not deviate from the panel standards prescribed by EPCA. (see 42 U.S.C. 6313(f) and 79 FR at 32051 (June 3, 2016)) Hence, the compliance date for the panel standards was January 1, 2009.

rulemaking arising from the settlement agreement, is consistent with the Term Sheet developed as part of that negotiated rulemaking and adopts the agreed-upon standards contained in that Term Sheet for the seven classes of refrigeration systems. This rule also examines any potential impacts on walk-in installers.

2. Significant Issues Raised in Response to the IRFA

DOE did not receive written comments that specifically addressed impacts on small businesses or were provided in response to the IRFA.

3. Description on Estimated Number of Small Entities Regulated

During its market survey, DOE used available public information to identify small WICF refrigeration manufacturers. DOE's research involved industry trade association membership directories (including those maintained by AHRI 1A[83] and NAFEM 1A[84]), public databases (*e.g.* the SBA Database [85]), individual company websites, market research tools (*e.g.,* Dun and Bradstreet reports 1A[86] and Hoovers reports 1A[87]) to create a list of companies that manufacture or sell equipment covered by this rulemaking. DOE also asked stakeholders and industry representatives if they were aware of any other small WICF refrigeration manufacturers during manufacturer interviews conducted for the June 2014 final rule and at DOE public meetings. DOE reviewed publicly-available data and contacted companies on its list, as necessary, to determine whether they met the SBA's definition of a small business manufacturer of WICF refrigeration systems. DOE screened out companies that do not offer equipment covered by this rulemaking, do not meet the definition of a ''small business,'' or are foreign-owned.

DOE identified ten WICF refrigeration manufacturers that produce equipment for one or more of the equipment classes analyzed in this final rule. All ten are domestic companies. Three of the ten WICF refrigeration manufacturers are small businesses based on the 1,250 person threshold for NAICS 333415.

DOE was unable to identify any company that operated exclusively as a manufacturer of complete walk-ins. All businesses that were manufacturers of complete walk-ins offered their services as part of a broader range of products and service capabilities. All small business manufacturers of complete walk-ins that DOE identified were on-site installers that also offered HVAC installation or commercial refrigeration equipment installation services. DOE relied on U.S. Census data for NAICS code 238300. The NAICS code aggregates information for ''plumbing, heating, and air-conditioning contractors,'' which includes ''refrigeration contractors''.

According to the 2012 U.S. Census ''Industry Snapshot'' for NAICS 238220, there were approximately 87,000 plumbing, heating, and air-conditioning contractor establishments in the United States.[88] Based on detailed breakdowns provided in the 2007 U.S. Census, DOE was able to disaggregate the 87,000 business by contractor type.[89] In examining these businesses, 35% were exclusively plumbing, sprinkler installation, or steam and piping fitting contractors and were unlikely to provide walk-in installation services. Of the remaining 65% of establishments, DOE estimated that 3,400 to 14,100 provide offer walk-in installation services.

U.S. Census data from 2012 showed that less than 1% of plumbing, heating, and air-conditioning contracting companies have more than 500 or more employees. While the U.S. Census data show that average revenue per establishment is approximately $1.7 million, the data provide no indication of what the revenue distribution or the median revenue in the industry might be. Assuming that the plumbing, heating, and air-conditioning employment data are representative of those found with walk-in installer employment numbers, the vast majority of installers are small businesses based on a 1,250-person threshold.

4. Description and Estimate of Compliance Requirements, Including Differences in Cost, if Any, for Different Groups of Small Entities

DOE identified three small WICF refrigeration businesses that manufacture WICF refrigeration equipment addressed by this rule. One small business focuses on large warehouse refrigeration systems, which are outside the scope of this rulemaking. However, this company offers small capacity units that can be sold to the walk-in market as well. The second small business specializes in building evaporators and unit coolers for a range of refrigeration applications, including the walk-in market. Further, based on manufacturer interviews conducted for the June 2014 final rule, DOE determined that the WICF refrigeration system revenue for this company is small compared to its total revenue. The third small business offers a wide range of equipment, including cooling towers, industrial refrigeration equipment, and water treatment systems. This company has a limited portfolio of unit coolers, which is a small portion of its offerings.

Conversion costs are the primary driver of negative impacts on WICF refrigeration manufacturers. While there will be record keeping expenses associated with certification and compliance requirements, DOE expects the cost to be small relative to the investments necessary to determine which equipment are compliant, redesign non-compliant equipment, purchase and install new manufacturing line equipment, and update marketing materials. These conversion costs are described in section IV.J.C of this document.

Since no market share information for small WICF refrigeration manufacturers is publicly-available, DOE relied on company revenue data for the small and large businesses as proxies for market share. For companies that are diversified conglomerates, DOE used revenue figures from the corporate business unit that produced walk-in refrigeration systems.

At the adopted standard level, DOE estimates total conversion costs for an average small manufacturer to be $0.69 million per year over the three-year conversion period. Using revenue figures from Hoovers.com, DOE estimates that conversion costs are 1.0 percent of total small business revenue over the three-year conversion period.

DOE estimates that there are approximately 3,400 to 14,100 walk-in installers and 99% of them are small businesses. Installers of complete walk-ins have been subject to regulation since 2009, when EPCA's prescriptive standards for walk-ins went into effect. EPCA required that all completed walk-ins must: Have automatic door closers; have strip doors, spring hinged doors, or other method of minimizing infiltration when doors are open; for all interior lights, use light sources with an efficacy of 40 lumens per watt or more; contain wall, ceiling, and door insulation of at least R–25 for coolers and R–32 for

[83] See *www.ahridirectory.org/ahriDirectory/pages/home.aspx.*

[84] See *www.nafem.org/find-members/MemberDirectory.aspx.*

[85] See *http://dsbs.sba.gov/dsbs/search/dsp_dsbs.cfm.*

[86] See *www.dnb.com/.*

[87] See *www.hoovers.com/.*

[88] U.S. Census Bureau. Industry Snapshot *thedataweb.rm.census.gov/TheDataWeb_HotReport2/econsnapshot/2012/snapshot.hrml?NAICS=238220* (Last accessed July 2016).

[89] U.S. Census Bureau. Industry Statistics Portal *www.census.gov/econ/isp/sampler.php?naicscode=238220&naicslevel=6#* (Last accessed August 2016).

freezers; contain floor insulation of at least R–28 for freezers; and use doors that have certain features; and use certain types of motors in components of the refrigeration system.

This rule does not add energy conservation standards that would measure the performance of the complete walk-in. Manufacturers who strictly assemble or install complete walk-ins do not certify compliance to DOE. DOE was unable to identify installer conversion costs that would be likely to occur as a direct result of the adopted standard since these costs are borne by component manufacturers. DOE was unable to identify any potential stranded assets since installers will be able to continue installing completed walk-ins using certified components meeting prior applicable requirements that are purchased before the compliance date of this rule. Installers may continue using components that complied with prior applicable requirements after the compliance date for this final rule is reached. The burden of this rule on installers is *de minimis.*

5. Significant Alternatives to the Rule

The discussion in the previous section analyzes impacts on small businesses that would result from the adopted standards, represented by TSL 3. In reviewing alternatives to the adopted standards, DOE examined energy conservation standards set at lower efficiency levels. While TSL 1 and TSL 2 would reduce the impacts on small business manufacturers, it would come at the expense of a reduction in energy savings and NPV benefits to the consumer. TSL 1 achieves 89 percent lower energy savings and 86 percent lower NPV benefits to the consumer compared to the energy savings at TSL 3. TSL 2 achieves 44 percent lower energy savings and 36 percent lower NPV benefit to the consumer compared to the energy savings at TSL 3.

DOE believes that establishing standards at TSL 3 balances the benefits of the energy savings at TSL 3 with the potential burdens placed on WICF refrigeration systems manufacturers, including small business manufacturers. Accordingly, DOE is not adopting one of the other TSLs considered in the analysis, or the other policy alternatives examined as part of the regulatory impact analysis and included in chapter 12 of the final rule TSD.

Additional compliance flexibilities may be available through other means. EPCA provides that a manufacturer whose annual gross revenue from all of its operations does not exceed $8 million may apply for an exemption from all or part of an energy conservation standard for a period not longer than 24 months after the effective date of a final rule establishing the standard. Additionally, section 504 of the Department of Energy Organization Act, 42 U.S.C. 7194, provides authority for the Secretary to adjust a rule issued under EPCA in order to prevent ''special hardship, inequity, or unfair distribution of burdens'' that may be imposed on that manufacturer as a result of such rule. Manufacturers should refer to 10 CFR part 430, subpart E, and part 1003 for additional details.

C. Review Under the Paperwork Reduction Act

Manufacturers of WICF refrigeration systems must certify to DOE that their products comply with any applicable energy conservation standards. In certifying compliance, manufacturers must test their products according to the DOE test procedures for WICF refrigeration systems, including any amendments adopted for those test procedures. DOE has established regulations for the certification and recordkeeping requirements for all covered consumer products and commercial equipment, including WICF refrigeration systems. 76 FR 12422 (March 7, 2011); 80 FR 5099 (January 30, 2015). The collection-of-information requirement for the certification and recordkeeping is subject to review and approval by OMB under the Paperwork Reduction Act (''PRA''). This requirement has been approved by OMB under OMB control number 1910–1400. Public reporting burden for the certification is estimated to average 30 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

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

D. Review Under the National Environmental Policy Act of 1969

Pursuant to the National Environmental Policy Act (''NEPA'') of 1969, DOE has determined that the rule fits within the category of actions included in Categorical Exclusion (''CX'') B5.1 and otherwise meets the requirements for application of a CX. (See 10 CFR part 1021, App. B, B5.1(b); 1021.410(b) and App. B, B(1)–(5).) The rule fits within this category of actions because it is a rulemaking that establishes energy conservation standards for consumer products or industrial equipment, and for which none of the exceptions identified in CX B5.1(b) apply. Therefore, DOE has made a CX determination for this rulemaking, and DOE does not need to prepare an Environmental Assessment or Environmental Impact Statement for this rule. DOE's CX determination for this rule is available at *http://energy.gov/nepa/categorical-exclusion-cx-determinations-cx.*

E. Review Under Executive Order 13132

Executive Order 13132, ''Federalism,'' 64 FR 43255 (August 10, 1999), imposes certain requirements on Federal agencies formulating and implementing policies or regulations that preempt State law or that have Federalism implications. The Executive Order requires agencies to examine the constitutional and statutory authority supporting any action that would limit the policymaking discretion of the States and to carefully assess the necessity for such actions. The Executive Order also requires agencies to have an accountable process to ensure meaningful and timely input by State and local officials in the development of regulatory policies that have Federalism implications. On March 14, 2000, DOE published a statement of policy describing the intergovernmental consultation process it will follow in the development of such regulations. 65 FR 13735. DOE has examined this rule and has determined that it would not have a substantial direct effect on the States, on the relationship between the national government and the States, or on the distribution of power and responsibilities among the various levels of government. EPCA governs and prescribes Federal preemption of State regulations as to energy conservation for the products that are the subject of this final rule. States can petition DOE for exemption from such preemption to the extent, and based on criteria, set forth in EPCA. (42 U.S.C. 6297) Therefore, no further action is required by Executive Order 13132.

F. Review Under Executive Order 12988

With respect to the review of existing regulations and the promulgation of new regulations, section 3(a) of Executive Order 12988, ''Civil Justice Reform,'' imposes on Federal agencies the general duty to adhere to the following requirements: (1) Eliminate drafting errors and ambiguity, (2) write regulations to minimize litigation, (3)

provide a clear legal standard for affected conduct rather than a general standard, and (4) promote simplification and burden reduction. 61 FR 4729 (February 7, 1996). Regarding the review required by section 3(a), section 3(b) of Executive Order 12988 specifically requires that Executive agencies make every reasonable effort to ensure that the regulation (1) clearly specifies the preemptive effect, if any, (2) clearly specifies any effect on existing Federal law or regulation, (3) provides a clear legal standard for affected conduct while promoting simplification and burden reduction, (4) specifies the retroactive effect, if any, (5) adequately defines key terms, and (6) addresses other important issues affecting clarity and general draftsmanship under any guidelines issued by the Attorney General. Section 3(c) of Executive Order 12988 requires Executive agencies to review regulations in light of applicable standards in section 3(a) and section 3(b) to determine whether they are met or it is unreasonable to meet one or more of them. DOE has completed the required review and determined that, to the extent permitted by law, this final rule meets the relevant standards of Executive Order 12988.

G. Review Under the Unfunded Mandates Reform Act of 1995

Title II of the Unfunded Mandates Reform Act of 1995 (''UMRA'') requires each Federal agency to assess the effects of Federal regulatory actions on State, local, and Tribal governments and the private sector. Pub. L. 104–4, sec. 201 (codified at 2 U.S.C. 1531). For a regulatory action likely to result in a rule that may cause the expenditure by State, local, and Tribal governments, in the aggregate, or by the private sector of $100 million or more in any one year (adjusted annually for inflation), section 202 of UMRA requires a Federal agency to publish a written statement that estimates the resulting costs, benefits, and other effects on the national economy. (2 U.S.C. 1532(a), (b)) The UMRA also requires a Federal agency to develop an effective process to permit timely input by elected officers of State, local, and Tribal governments on a ''significant intergovernmental mandate,'' and requires an agency plan for giving notice and opportunity for timely input to potentially affected small governments before establishing any requirements that might significantly or uniquely affect them. On March 18, 1997, DOE published a statement of policy on its process for intergovernmental consultation under UMRA. 62 FR 12820. DOE's policy statement is also available at *http://energy.gov/sites/prod/files/gcprod/documents/umra_97.pdf.*

DOE has concluded that this final rule may require expenditures of $100 million or more in any one year by the private sector. Such expenditures may include (1) investment in research and development and in capital expenditures by WICF refrigeration systems manufacturers in the years between the final rule and the compliance date for the new standards and (2) incremental additional expenditures by consumers to purchase higher-efficiency WICF refrigeration systems, starting on the compliance date for the applicable standard.

Section 202 of UMRA authorizes a Federal agency to respond to the content requirements of UMRA in any other statement or analysis that accompanies the final rule. (2 U.S.C. 1532(c)) The content requirements of section 202(b) of UMRA relevant to a private sector mandate substantially overlap the economic analysis requirements that apply under section 325(o) of EPCA and Executive Order 12866. The **SUPPLEMENTARY INFORMATION** section of this document and the TSD for this final rule respond to those requirements.

Under section 205 of UMRA, the Department is obligated to identify and consider a reasonable number of regulatory alternatives before promulgating a rule for which a written statement under section 202 is required. (2 U.S.C. 1535(a)) DOE is required to select from those alternatives the most cost-effective and least burdensome alternative that achieves the objectives of the rule unless DOE publishes an explanation for doing otherwise, or the selection of such an alternative is inconsistent with law. As required by 42 U.S.C. 6313(f)(4), this final rule establishes energy conservation standards for WICF refrigeration systems that are designed to achieve the maximum improvement in energy efficiency that DOE has determined to be both technologically feasible and economically justified, as required by 6295(o)(2)(A), 6295(o)(3)(B), and 6316(a). A full discussion of the alternatives considered by DOE is presented in chapter 17 of the TSD for this final rule.

H. Review Under the Treasury and General Government Appropriations Act, 1999

Section 654 of the Treasury and General Government Appropriations Act, 1999 (Pub. L. 105–277) requires Federal agencies to issue a Family Policymaking Assessment for any rule that may affect family well-being. This rule would not have any impact on the autonomy or integrity of the family as an institution. Accordingly, DOE has concluded that it is not necessary to prepare a Family Policymaking Assessment.

I. Review Under Executive Order 12630

Pursuant to Executive Order 12630, ''Governmental Actions and Interference with Constitutionally Protected Property Rights,'' 53 FR 8859 (March 18, 1988), DOE has determined that this rule would not result in any takings that might require compensation under the Fifth Amendment to the U.S. Constitution.

J. Review Under the Treasury and General Government Appropriations Act, 2001

Section 515 of the Treasury and General Government Appropriations Act, 2001 (44 U.S.C. 3516, note) provides for Federal agencies to review most disseminations of information to the public under information quality guidelines established by each agency pursuant to general guidelines issued by OMB. OMB's guidelines were published at 67 FR 8452 (February 22, 2002), and DOE's guidelines were published at 67 FR 62446 (October 7, 2002). DOE has reviewed this final rule under the OMB and DOE guidelines and has concluded that it is consistent with applicable policies in those guidelines.

K. Review Under Executive Order 13211

Executive Order 13211, ''Actions Concerning Regulations That Significantly Affect Energy Supply, Distribution, or Use,'' 66 FR 28355 (May 22, 2001), requires Federal agencies to prepare and submit to OIRA at OMB, a Statement of Energy Effects for any significant energy action. A ''significant energy action'' is defined as any action by an agency that promulgates or is expected to lead to promulgation of a final rule, and that (1) is a significant regulatory action under Executive Order 12866, or any successor order; and (2) is likely to have a significant adverse effect on the supply, distribution, or use of energy, or (3) is designated by the Administrator of OIRA as a significant energy action. For any significant energy action, the agency must give a detailed statement of any adverse effects on energy supply, distribution, or use should the proposal be implemented, and of reasonable alternatives to the action and their expected benefits on energy supply, distribution, and use.

DOE has concluded that this regulatory action, which sets forth energy conservation standards for certain classes of WICF refrigeration systems, is not a significant energy

action because the standards are not likely to have a significant adverse effect on the supply, distribution, or use of energy, nor has it been designated as such by the Administrator at OIRA. Accordingly, DOE has not prepared a Statement of Energy Effects on this final rule.

L. Information Quality

On December 16, 2004, OMB, in consultation with the Office of Science and Technology Policy, issued its Final Information Quality Bulletin for Peer Review (the Bulletin). 70 FR 2664 (January 14, 2005). The Bulletin establishes that certain scientific information shall be peer reviewed by qualified specialists before it is disseminated by the Federal Government, including influential scientific information related to agency regulatory actions. The purpose of the Bulletin is to enhance the quality and credibility of the Government's scientific information. Under the Bulletin, the energy conservation standards rulemaking analyses are ''influential scientific information,'' which the Bulletin defines as ''scientific information the agency reasonably can determine will have, or does have, a clear and substantial impact on important public policies or private sector decisions.'' *Id.* at FR 2667.

In response to OMB's Bulletin, DOE conducted formal peer reviews of the energy conservation standards development process and the analyses that are typically used and prepared a report describing that peer review.[90] Generation of this report involved a rigorous, formal, and documented evaluation using objective criteria and qualified and independent reviewers to make a judgment as to the technical/scientific/business merit, the actual or anticipated results, and the productivity and management effectiveness of programs and/or projects. DOE has determined that the peer-reviewed analytical process continues to reflect current practice, and the Department followed that process for developing energy conservation standards in the case of the present rulemaking.

M. Congressional Notification

As required by 5 U.S.C. 801, DOE will report to Congress on the promulgation of this rule prior to its effective date. The report will state that it has been determined that the rule is a ''major rule'' as defined by 5 U.S.C. 804(2).

VII. Approval of the Office of the Secretary

The Secretary of Energy has approved publication of this final rule.

List of Subjects in 10 CFR Part 431

Administrative practice and procedure, Confidential business information, Energy conservation, Incorporation by reference, Intergovernmental relations, Small businesses.

Issued in Washington, DC, on June 27, 2017.

Steven Chalk,

Acting Assistant Secretary, Energy Efficiency and Renewable Energy.

For the reasons set forth in the preamble, DOE amends part 431 of chapter II, of title 10 of the Code of Federal Regulations, as set forth below:

PART 431—ENERGY EFFICIENCY PROGRAM FOR CERTAIN COMMERCIAL AND INDUSTRIAL EQUIPMENT

■ 1. The authority citation for part 431 continues to read as follows:

Authority: 42 U.S.C. 6291–6317; 28 U.S.C. 2461 note.

■ 2. In § 431.306, revise paragraph (e) to read as follows:

§ 431.306 Energy conservation standards and their effective dates.

* * * * *

(e) *Walk-in cooler refrigeration systems.* All walk-in cooler and walk-in freezer refrigeration systems manufactured starting on the dates listed in the table, except for walk-in process cooling refrigeration systems (as defined in § 431.302), must satisfy the following standards:

Equipment class	Minimum AWEF (Btu/W-h)*	Compliance date: equipment manufactured starting on . . .
Dedicated Condensing System—Medium, Indoor	5.61	June 5, 2017.
Dedicated Condensing System—Medium, Outdoor	7.60.	
Dedicated Condensing System—Low, Indoor with a Net Capacity (q_{net}) of:		
< 6,500 Btu/h	$9.091 \times 10^{-5} \times q_{net} + 1.81$	July 10, 2020.
≥ 6,500 Btu/h	2.40.	
Dedicated Condensing System—Low, Outdoor with a Net Capacity (q_{net}) of:		
< 6,500 Btu/h	$6.522 \times 10^{-5} \times q_{net} + 2.73$.	
≥ 6,500 Btu/h	3.15.	
Unit Cooler—Medium	9.00.	
Unit Cooler—Low with a Net Capacity (q_{net}) of:		
< 15,500 Btu/h	$1.575 \times 10^{-5} \times q_{net} + 3.91$.	
≥ 15,500 Btu/h	4.15.	

* Where q_{net} is net capacity as determined in accordance with § 431.304 and certified in accordance with 10 CFR part 429.

Appendix

[The following letter from the Department of Justice will not appear in the Code of Federal Regulations.]

U.S. Department of Justice
Antitrust Division
Renata B. Hesse
Acting Assistant Attorney General
Main Justice Building
950 Pennsylvania Avenue NW.,
Washington, DC 20530-0001
(202) 514–2401 I (202) 616–2645 (Fax).

November 10, 2016

Daniel Cohen, Esq.
Assistant General Counsel for Legislation Regulation and Energy Efficiency
U.S. Department of Energy
Washington, DC 20585

Re: Docket No. EERE–2015–BT–STD–0016

Dear Assistant General Counsel Cohen:

I am responding to your September 14, 2016 letter seeking the views of the Attorney General about the potential impact on competition of proposed energy conservation standards for walk-in coolers and walk-in freezers.

Your request was submitted under Section 325(o)(2)(B)(i)(V) of the Energy Policy and Conservation Act, as amended (EPCA), 42 U.S.C. § 6295(o)(2)(B)(i)(V), which requires the Attorney General to make a

[90] The 2007 ''Energy Conservation Standards Rulemaking Peer Review Report'' is available at the following website: *http://energy.gov/eere/buildings/downloads/energy-conservation-standards-rulemaking-peer-review-report-0.*

determination of the impact of any lessening of competition that is likely to result from the imposition of proposed energy conservation standards. The Attorney General's responsibility for responding to requests from other departments about the effect of a program on competition has been delegated to the Assistant Attorney General for the Antitrust Division in 28 CFR § 0.40(g).

In conducting its analysis, the Antitrust Division examines whether a proposed standard may lessen competition, for example, by substantially limiting consumer choice or increasing industry concentration. A lessening of competition could result in higher prices to manufacturers and consumers.

We have reviewed the proposed standards contained in the Notice of Proposed Rulemaking (81 Fed. Reg. 62980, Sept. 13, 2016), and the related technical support document. We also monitored the public meeting held on the proposed standards on September 29, 2016; reviewed supplementary information submitted to the Attorney General by the Department of Energy and public comments submitted in connection with this proceeding; and conducted interviews with industry participants.

Based on the information currently available, we do not believe that the proposed energy conservation standards for walk-in coolers and walk-in freezers are likely to have a significant adverse effect on competition.

Sincerely,
Renata B. Hesse
Acting Assistant Attorney General

[FR Doc. 2017–14079 Filed 7–7–17; 8:45 am]

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