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NUCLEAR REGULATORY COMMISSION

10 CFR Part 50

[NRC–2020–0071]

RIN 3150–AL35

Cost Expenditure Criteria for Research and Development Utilization Facilities

AGENCY: Nuclear Regulatory Commission.

ACTION: Final rule.

SUMMARY: The U.S. Nuclear Regulatory Commission (NRC) is amending its regulations to address the financial criteria used to determine whether a utilization facility that is useful in the conduct of research and development activities is licensed as a commercial facility under section 103, “Commercial Licenses,” of the Atomic Energy Act of 1954, as amended, or as a research and development facility under section 104, “Medical Therapy and Research and Development.” This rulemaking revises the NRC’s regulations to be consistent with the Nuclear Energy Innovation and Modernization Act, enacted on January 14, 2019, and the Accelerating Deployment of Versatile, Advanced Nuclear for Clean Energy Act of 2024, enacted on July 9, 2024.

DATES: This final rule is effective on April 24, 2026.

ADDRESSES: Please refer to Docket ID NRC–2020–0071 when contacting the NRC about the availability of information for this action. You may obtain publicly available information related to this action by any of the following methods:

- *Federal Rulemaking Website:* Electronically at <https://www.regulations.gov>. Search for Docket ID NRC–2020–0071. Address questions about NRC dockets to Helen Chang; telephone: 301–415–3228; email: Helen.Chang@nrc.gov. For technical questions, contact the individuals listed

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FOR FURTHER INFORMATION CONTACT: Soly Soto Lugo, telephone: 301–415–7528, email: Soly.Sotolugo@nrc.gov and Michael Balazik, telephone: 301–415–2856, email: Michael.Balazik@nrc.gov. Both are staff of the U.S. Nuclear Regulatory Commission, Washington, DC 20555–0001.

SUPPLEMENTARY INFORMATION: This rulemaking is separate from NRC’s comprehensive review and reform of its regulations in accordance with Executive Order (E.O.) 14300, “Ordering the Reform of the Nuclear Regulatory Commission” (90 FR 22587; May 29, 2025). The rulemakings associated with that effort will comprehensively reexamine NRC requirements. The NRC is moving forward with this final rule at this time because it was in progress before the issuance of E.O. 14300 and is a deregulatory action of high interest to NRC stakeholders.

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I. Background

The NRC’s regulations in part 50, “Domestic Licensing of Production and Utilization Facilities,” of title 10 of the *Code of Federal Regulations* (10 CFR), provide requirements and procedures for licensing of production and utilization facilities. For production or utilization facilities used for commercial or industrial purposes, the NRC issues licenses under section 103, “Commercial Licenses,” of the Atomic Energy Act of 1954, as amended (AEA), and 10 CFR 50.22, “Class 103 licenses; for commercial and industrial facilities.” Section 50.22 currently provides that a production or utilization facility is deemed to be for industrial or commercial purposes if it is to be used so that more than 50 percent of the annual cost of owning and operating the facility is devoted to the production of materials, products, or energy for sale or commercial distribution, or to the sale of services, other than research and development or education or training. Commercial and industrial facilities are subject to additional licensing requirements beyond those for research and development facilities, such as review by the Advisory Committee on Reactor Safeguards, mandatory hearings, and fixed license terms not to exceed 40 years.

For production or utilization facilities useful in the conduct of research and development, the NRC issues licenses under paragraph c of section 104, “Medical Therapy and Research and Development,” of the AEA and paragraph (c) of § 50.21, “Class 104 licenses; for medical therapy and research and development facilities.” Under the current regulations, a production or utilization facility can be licensed as a research and development facility only if the licensee devotes no more than 50 percent of the annual cost of owning and operating the facility to the commercial activities described in § 50.22.

Amendments made to the AEA by the Nuclear Energy Innovation and Modernization Act (NEIMA), enacted on January 14, 2019 (Pub. L. 115–439; 132 Stat. 5565), and the Accelerating Deployment of Versatile, Advanced Nuclear for Clean Energy Act of 2024

(ADVANCE Act), enacted on July 9, 2024 (Pub. L. 118–67, div. B, 138 Stat. 1448), changed the framework for determining whether a utilization facility would be licensed by the NRC under section 103 or section 104c. of the AEA. This final rule revises the NRC's regulations to be consistent with the AEA, as amended by NEIMA and the ADVANCE Act.

II. Discussion

The NRC is amending its regulations in §§ 50.21(c) and 50.22 to conform with changes made to section 104c. of the AEA that apply to the issuance of class 104c licenses for utilization facilities. This final rule does not change the cost expenditure criterion in § 50.22 for production facilities.

Section 106, “Encouraging Private Investment in Research and Test Reactors,” of NEIMA amended section 104c. of the AEA in two ways. First, NEIMA removed language in section 104c. of the AEA that provided that the facility is not of the type specified in section 104b. of the AEA. Second, NEIMA added language to the end of section 104c. of the AEA providing that the NRC may issue a license for a research and development utilization facility under section 104c. of the AEA if two conditions were satisfied: (1) not more than 75 percent of the annual costs of owning and operating the facility are recovered through sales of nonenergy services, energy, or both (not counting sales of research and development or education and training); and (2) not more than 50 percent of the annual costs are recovered through sales of energy. This amendment to the AEA changed the framework under which the NRC determines whether a utilization facility that is useful in the conduct of research and development would be licensed under section 103 or section 104c. of the AEA. Before the enactment of NEIMA, the AEA did not specify the criteria to use when determining whether to issue a class 103 or class 104c license for a facility—the criterion appeared only in § 50.22. Section 601 of the ADVANCE Act amended section 104c. of the AEA to remove the language that NEIMA added and to replace it with new language focused on the percentage of the annual cost of owning and operating a facility that is devoted to commercial activities, similar to the criterion currently included in § 50.22. The new language added by the ADVANCE Act specifies that the NRC may issue a license for a research and development utilization facility under section 104c. of the AEA if two conditions are satisfied: (1) not more than 75 percent of the annual costs of owning and

operating the facility are devoted to the sale of nonenergy services, energy, or a combination of these activities (not counting sales of research and development or education and training); and (2) not more than 50 percent of the annual costs of owning and operating the facility are devoted to the sale of energy. The ADVANCE Act thus increases the percentage of annual costs of owning and operating the facility that may be devoted to commercial activities beyond the percentage currently included in the NRC's regulations in § 50.22 for determining whether a utilization facility useful in the conduct of research and development activities may be licensed under section 104c. of the AEA. The changes to § 50.22 made by this final rule align the regulation with the changes to the AEA made by the ADVANCE Act and do not establish new or different classes of production or utilization facilities that are licensed under section 103 of the AEA and § 50.22. The term “class 103 license” continues to be used for production or utilization facilities that are licensed under section 103 of the AEA and § 50.22.

III. Section-by-Section Analysis

The following paragraphs describe the changes made by this final rule.

Section 50.21 Class 104 licenses; for medical therapy and research and development facilities

This final rule amends paragraph (c) to implement the amendment made by NEIMA to remove language in section 104c. of the AEA that provided that the facility is not of the type specified in section 104b. of the AEA. Consistent with this statutory change, this final rule amends paragraph (c) in § 50.21 to remove the language that specifies that the facility is not of the type specified in paragraph (b) in § 50.21. Paragraph (c) in § 50.21 continues to specify that the facility is not of the type specified in § 50.22.

Section 50.22 Class 103 licenses; for commercial and industrial facilities

This final rule amends § 50.22 by reorganizing the section to add paragraphs (a), (b), and (c) for the criteria for issuing class 103 licenses. Paragraph (a) retains the current list of activities covered by a class 103 license. Paragraph (b) retains the current cost expenditure criterion for when a production facility that is useful in the conduct of research and development shall be licensed as an industrial or commercial facility. Paragraph (c) contains the amended cost expenditure criteria for when a utilization facility

that is useful in the conduct of research and development shall be licensed as an industrial or commercial facility.

IV. Regulatory Flexibility Certification

Under the Regulatory Flexibility Act (5 U.S.C. 605(b)), the NRC certifies that this rule does not have a significant economic impact on a substantial number of small entities. This final rule affects the licensing and operation of utilization facilities that are useful in the conduct of research and development purposes, which are predominately non-power utilization facilities. In general, the companies, universities, and government agencies that own these facilities do not fall within the scope of the definition of “small entities” set forth in the Regulatory Flexibility Act or the size standards established by the NRC (§ 2.810, “NRC size standards”).

V. Regulatory Analysis

The NRC has prepared a final regulatory analysis for this regulation. The analysis examines the costs and benefits of the rulemaking alternative. The NRC estimates that the final rule results in savings of approximately \$44,000 (7 percent net present value in 2025 dollars to licensees and the NRC). To conduct this analysis, the NRC assumed that under the regulatory baseline alternative, should the NRC not engage in rulemaking, all 32 existing class 104c licensees would submit license exemption requests in order to continue to abide by the conditions of their licenses should they choose to increase the percentage of the annual costs of owning and operating the facility devoted to commercial activity up to the percentage allowed under the AEA. The NRC did not analyze any additional alternatives because there is no other way to remove the inconsistency between the NRC's regulations and the AEA except for rulemaking.

The savings of the final rule consist of the averted costs of licensees to prepare and submit license exemption requests and the averted costs of the NRC to review those license exemption requests. These averted costs are roughly split evenly between the licensees and the NRC. The NRC expects that licensees will also incur some minor costs to understand the final rule and to update their internal accounting guidelines. The costs for this rule will occur immediately after implementation of the final rule, as there are no costs to the rule over an extended period. In addition, the NRC does not expect that this rule will cause any entities to submit applications to

become class 104c licensees. The final rule also provides benefits to regulatory efficiency because it removes the inconsistency between the NRC's regulations in §§ 50.21(c) and 50.22 and section 104c. of the AEA, which may create a lack of clarity for existing and future class 104c licensees. It also allows class 104c licensees to continue to operate as allowed under the AEA without concern for enforcement activities by the NRC. Based on this analysis, the NRC considers this rule to be cost beneficial to both industry and the NRC.

VI. Backfitting

This final rule does not constitute "backfitting" as the term is defined in § 50.109, "Backfitting." This final rule applies to applicants or future applicants for certain licenses under 10 CFR part 50. In general, applicants for licenses under part 50 are not the subject of the part 50 backfitting provision, with one exception not applicable to this final rule.

The NRC is amending its rule text to be consistent with section 104c. of the AEA. As such, rulemaking to align §§ 50.21(c) and 50.22 with section 104c. of the AEA constitutes a non-discretionary change. The Commission's policy in Management Directive 8.4, "Management of Backfitting, Forward Fitting, Issue Finality, and Information Requests" (ADAMS Accession No. ML18093B087) is that non-discretionary changes generally do not meet the definition of backfitting in § 50.109.

VII. Plain Writing

The Plain Writing Act of 2010 (Pub. L. 111–274) requires Federal agencies to write documents in a clear, concise, and well-organized manner. The NRC has written this document to be consistent with the Plain Writing Act as well as the Presidential Memorandum, "Plain Language in Government Writing," published June 10, 1998 (63 FR 31885).

VIII. National Environmental Policy Act

The NRC has determined that this final rule is the type of action described in § 51.22(c)(3)(i), which provides a categorical exclusion for amendments to part 50 that relate to procedures for filing and reviewing applications, amendments, or renewals for licenses or other forms of permission. Therefore, neither an environmental impact statement nor environmental assessment has been prepared for this final rule.

IX. Paperwork Reduction Act

This final rule does not contain any new or amended collections of

information subject to the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*). Existing collections of information were approved by the Office of Management and Budget (OMB), approval number 3150–0011.

Public Protection Notification

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

X. Administrative Procedure Act

Pursuant to 5 U.S.C. 553(b)(B), the NRC finds that there is good cause to issue this final rule without prior notice and comment. This final rule is limited to changes to make the NRC's regulations consistent with the amendments made to section 104c. of the AEA by NEIMA and the ADVANCE Act. The regulatory revisions are not subject to interpretation, and the NRC lacks any discretion regarding this change. Accordingly, notice and public comment procedures are unnecessary. For these same reasons, the NRC also finds good cause to waive the 30-day delay in the effective date under 5 U.S.C. 553(d).

XI. Executive Orders

The following are Executive orders that are related to this final rule:

A. Executive Order 12866: Regulatory Planning and Review (as amended by Executive Order 14215, Ensuring Accountability for All Agencies)

The Office of Information and Regulatory Affairs has determined that this final rule is not a significant regulatory action.

B. Executive Order 14154: Unleashing American Energy

The NRC has examined this final rule and has determined that it is consistent with the policies and directives outlined in E.O. 14154.

C. Executive Order 14192: Unleashing Prosperity Through Deregulation

This action is a deregulatory action as defined by E.O. 14192. Details on the estimated costs of this final rule can be found in Section V, "Regulatory Analysis," of this document.

D. Executive Order 14270: Zero-Based Regulatory Budgeting to Unleash American Energy

E.O. 14270, "Zero-Based Regulatory Budgeting to Unleash American Energy," requires the NRC to insert a conditional sunset date into all new or

amended NRC regulations provided the regulations are (1) promulgated under the AEA, the Energy Reorganization Act of 1974, as amended, or the Nuclear Waste Policy Act of 1982, as amended; (2) not statutorily required; and (3) not part of the NRC's permitting regime. The NRC determined that the regulatory changes in this final rule are limited to making the NRC's regulations consistent with statutory amendments and constitute part of the NRC's permitting regime authorized by statute. Therefore, the NRC views this rulemaking to be outside the scope of E.O. 14270 and did not insert conditional sunset dates for the regulatory changes in this final rule.

XII. Congressional Review Act

This final rule is a rule as defined in the Congressional Review Act (5 U.S.C. 801–808). However, the Office of Management and Budget has found that it does not meet the criteria at 5 U.S.C. 804(2).

List of Subjects in 10 CFR Part 50

Administrative practice and procedure, Antitrust, Backfitting, Classified information, Criminal penalties, Education, Fire prevention, Fire protection, Intergovernmental relations, Nuclear power plants and reactors, Penalties, Radiation protection, Reactor siting criteria, Reporting and recordkeeping requirements, Whistleblowing.

For the reasons set out in the preamble and under the authority of the Atomic Energy Act of 1954, as amended; the Energy Reorganization Act of 1974, as amended; and 5 U.S.C. 552 and 553, the NRC is adopting the following amendments to 10 CFR part 50:

PART 50—DOMESTIC LICENSING OF PRODUCTION AND UTILIZATION FACILITIES

■ 1. The authority citation for part 50 continues to read as follows:

Authority: Atomic Energy Act of 1954, secs. 11, 101, 102, 103, 104, 105, 108, 122, 147, 149, 161, 181, 182, 183, 184, 185, 186, 187, 189, 223, 234 (42 U.S.C. 2014, 2131, 2132, 2133, 2134, 2135, 2138, 2152, 2167, 2169, 2201, 2231, 2232, 2233, 2234, 2235, 2236, 2237, 2239, 2273, 2282); Energy Reorganization Act of 1974, secs. 201, 202, 206, 211 (42 U.S.C. 5841, 5842, 5846, 5851); Nuclear Waste Policy Act of 1982, sec. 306 (42 U.S.C. 10226); National Environmental Policy Act of 1969 (42 U.S.C. 4332); 44 U.S.C. 3504 note; Sec. 109, Pub. L. 96–295, 94 Stat. 783.

§ 50.21 [Amended]

■ 2. In § 50.21, in paragraph (c), remove the phrase "in paragraph (b) of this section or".

■ 3. Revise § 50.22 to read as follows:

§ 50.22 Class 103 licenses; for commercial and industrial facilities.

(a) A class 103 license will be issued, to an applicant who qualifies, for any one or more of the following: To transfer or receive in interstate commerce, manufacture, produce, transfer, acquire, possess, or use a production or utilization facility for industrial or commercial purposes.

(b) In the case of a production facility that is useful in the conduct of research and development activities of the types specified in section 31 of the Act, such facility is deemed to be for industrial or commercial purposes and a class 103 license is required if the facility is to be used so that more than 50 percent of the annual costs to the licensee of owning and operating the facility are devoted to the production of materials, products, or energy for sale or commercial distribution, or to the sale of services, other than research and development or education or training.

(c) In the case of a utilization facility that is useful in the conduct of research and development activities of the types specified in section 31 of the Act, such facility is deemed to be for industrial or commercial purposes and a class 103 license is required if the facility is to be used so that:

(1) more than 75 percent of the annual costs to the licensee of owning and operating the facility are devoted to the sale, other than for research and development or education and training, of nonenergy services, energy, or a combination of nonenergy services and energy; or

(2) more than 50 percent of the annual costs to the licensee of owning and operating the facility are devoted to the sale of energy.

Dated: April 7, 2026.

For the Nuclear Regulatory Commission.

Michael King,

Executive Director for Operations.

[FR Doc. 2026-08024 Filed 4-23-26; 8:45 am]

BILLING CODE 7590-01-P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. FAA-2026-0740; Project Identifier MCAI-2025-01037-T; Amendment 39-23313; AD 2026-08-05]

RIN 2120-AA64

Airworthiness Directives; Dassault Aviation Airplanes

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final rule.

SUMMARY: The FAA is superseding Airworthiness Directive (AD) 2023-18-07, which applied to certain Dassault Aviation Model MYSTERE-FALCON 20-C5, 20-D5, 20-E5, and 20-F5 airplanes. AD 2023-18-07 required revising the existing maintenance or inspection program, as applicable, to incorporate new or more restrictive airworthiness limitations. Since the FAA issued AD 2023-18-07, the FAA has determined that new or more restrictive airworthiness limitations are necessary. This AD continues to require certain actions in AD 2023-18-07 and requires revising the existing maintenance or inspection program, as applicable, to incorporate new or more restrictive airworthiness limitations. The FAA is issuing this AD to address the unsafe condition on these products.

DATES: This AD is effective May 29, 2026.

The Director of the Federal Register approved the incorporation by reference of a certain publication listed in this AD as of May 29, 2026.

The Director of the Federal Register approved the incorporation by reference of a certain other publication listed in this AD as of November 2, 2023 (88 FR 66681, September 28, 2023).

ADDRESSES:

AD Docket: You may examine the AD docket at *regulations.gov* under Docket No. FAA-2026-0740; or in person at Docket Operations between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The AD docket contains this final rule, the mandatory continuing airworthiness information (MCAI), any comments received, and other information. The address for Docket Operations is U.S. Department of Transportation, Docket Operations, M-30, West Building Ground Floor, Room W12-140, 1200 New Jersey Avenue SE, Washington, DC 20590.

Material Incorporated by Reference:

- For European Union Aviation Safety Agency (EASA) material

identified in this AD, contact EASA, Konrad-Adenauer-Ufer 3, 50668 Cologne, Germany; telephone +49 221 8999 000; email ADs@easa.europa.eu. You may find this material on the EASA website at ad.easa.europa.eu.

- You may view this material at the FAA, Airworthiness Products Section, Operational Safety Branch, 2200 South 216th St., Des Moines, WA. For information on the availability of this material at the FAA, call 206-231-3195. It is also available at *regulations.gov* under Docket No. FAA-2026-0740.

FOR FURTHER INFORMATION CONTACT:

Kimi Kim, Aviation Safety Engineer, FAA, 1600 Stewart Avenue, Suite 410, Westbury, NY 11590; phone: 781-238-7693; email: 9-AVS-AIR-BACO-COS@faa.gov.

SUPPLEMENTARY INFORMATION:

Background

The FAA issued a notice of proposed rulemaking (NPRM) to amend 14 CFR part 39 to supersede AD 2023-18-07, Amendment 39-22548 (88 FR 66681, September 28, 2023) (AD 2023-18-07). AD 2023-18-07 applied to certain Dassault Aviation Model MYSTERE-FALCON 20-C5, 20-D5, 20-E5, and 20-F5 airplanes. AD 2023-18-07 required revising the existing maintenance or inspection program, as applicable, to incorporate additional new or more restrictive airworthiness limitations. The FAA issued AD 2023-18-07 to address fatigue cracking, damage, and corrosion in principal structural elements. The unsafe condition, if not addressed, could result in reduced structural integrity of the airplane.

The NPRM was published in the **Federal Register** on February 6, 2026 (91 FR 5381). The NPRM was prompted by EASA AD 2025-0123, dated May 28, 2025 (EASA AD 2025-0123) (also referred to as the MCAI), issued by EASA, which is the Technical Agent for the Member States of the European Union. The MCAI states that new or more restrictive airworthiness limitations have been developed.

In the NPRM, the FAA proposed to continue to require certain actions in AD 2023-18-07 and to require revising the existing maintenance or inspection program, as applicable, to incorporate new or more restrictive airworthiness limitations, as specified in EASA AD 2025-0123. The FAA is issuing this AD to address the unsafe condition on these products.

You may examine the MCAI in the AD docket at *regulations.gov* under Docket No. FAA-2026-0740.

Discussion of Final Airworthiness Directive

Comments

The FAA received no comments on the NPRM or on the determination of the costs.

Conclusion

These products have been approved by the civil aviation authority of another country and are approved for operation in the United States. Pursuant to the FAA's bilateral agreement with this State of Design Authority, that authority has notified the FAA of the unsafe condition described in the MCAI referenced above. The FAA reviewed the relevant data, considered any comments received, and determined that air safety requires adopting this AD as proposed. Accordingly, the FAA is issuing this AD to address the unsafe condition on these products. Except for minor editorial changes, this AD is adopted as proposed in the NPRM. None of the changes will increase the economic burden on any operator.

Material Incorporated by Reference Under 1 CFR Part 51

The FAA reviewed EASA AD 2025–0123, which specifies procedures for new or more restrictive airworthiness limitations for airplane structures and safe life limits.

This AD also requires EASA AD 2023–0058, dated March 16, 2023, which the Director of the Federal Register approved for incorporation by reference as of November 2, 2023 (88 FR 66681, September 28, 2023).

This material is reasonably available because the interested parties have access to it through their normal course of business or by the means identified in the ADDRESSES section.

Costs of Compliance

The FAA estimates that this AD affects 61 airplanes of U.S. registry. The FAA estimates the following costs to comply with this AD:

The FAA estimates the total cost per operator for the retained actions from AD 2023–18–07 to be \$7,650 (90 work-hours × \$85 per work-hour).

The FAA has determined that revising the existing maintenance or inspection program takes an average of 90 work-hours per operator, although the agency recognizes that this number may vary from operator to operator. Since operators incorporate maintenance or inspection program changes for their affected fleet(s), the FAA has determined that a per-operator estimate is more accurate than a per-airplane estimate.

The FAA estimates the total cost per operator for the new actions to be \$7,650 (90 work-hours × \$85 per work-hour).

Authority for This Rulemaking

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

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

Regulatory Findings

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

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

- (1) Is not a “significant regulatory action” under Executive Order 12866,
- (2) Will not affect intrastate aviation in Alaska, and
- (3) Will not have a significant economic impact, positive or negative, on a substantial number of small entities under the criteria of the Regulatory Flexibility Act.

List of Subjects in 14 CFR Part 39

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

The Amendment

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

PART 39—AIRWORTHINESS DIRECTIVES

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

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

§ 39.13 [Amended]

- 2. The FAA amends § 39.13 by:
- a. Removing Airworthiness Directive (AD) 2023–18–07, Amendment 39–22548 (88 FR 66681, September 28, 2023); and
- b. Adding the following new AD:

2026–08–05 Dassault Aviation:

Amendment 39–23313; Docket No. FAA–2026–0740; Project Identifier MCAI–2025–01037–T.

(a) Effective Date

This airworthiness directive (AD) is effective May 29, 2026.

(b) Affected ADs

This AD replaces AD 2023–18–07, Amendment 39–22548 (88 FR 66681, September 28, 2023) (AD 2023–18–07).

(c) Applicability

This AD applies to Dassault Aviation Model MYSTERE–FALCON 20–C5, 20–D5, 20–E5, and 20–F5 airplanes, certificated in any category, as identified in European Union Aviation Safety Agency (EASA) AD 2025–0123, dated May 28, 2025 (EASA AD 2025–0123).

(d) Subject

Air Transport Association (ATA) of America Code 05, Time Limits/Maintenance Checks.

(e) Unsafe Condition

This AD was prompted by a determination that new or more restrictive airworthiness limitations are necessary. The FAA is issuing this AD to address fatigue cracking, damage, and corrosion in principal structural elements. The unsafe condition, if not addressed, could result in reduced structural integrity of the airplane.

(f) Compliance

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

(g) Retained Revision of the Existing Maintenance or Inspection Program, With a New Terminating Action

This paragraph restates the requirements of paragraph (i) of AD 2023–18–07, with a new terminating action. Except as specified in paragraph (h) of this AD: Comply with all required actions and compliance times specified in, and in accordance with, EASA AD 2023–0058, dated March 16, 2023 (EASA AD 2023–0058). Accomplishing the revision of the existing maintenance or inspection program required by paragraph (j) of this AD terminates the requirements of this paragraph.

(h) Retained Exceptions to EASA AD 2023–0058, With No Changes

This paragraph restates the exceptions specified in paragraph (j) of AD 2023–18–07, with no changes.

- (1) This AD does not adopt the requirements specified in paragraphs (1) and (2) of EASA AD 2023–0058.

- (2) Paragraph (3) of EASA AD 2023–0058 specifies revising “the approved AMP”

within 12 months after its effective date, but this AD requires revising the existing maintenance or inspection program, as applicable, within 90 days after November 2, 2023 (the effective date of AD 2023–18–07).

(3) The initial compliance time for doing the tasks specified in paragraph (3) of EASA AD 2023–0058 is at the applicable “limitations” as incorporated by the requirements of paragraph (3) of EASA AD 2023–0058, or within 90 days after November 2, 2023 (the effective date of AD 2023–18–07), whichever occurs later.

(4) This AD does not adopt the provisions specified in paragraphs (4) and (5) of EASA AD 2023–0058.

(5) This AD does not adopt the “Remarks” section of EASA AD 2023–0058.

(i) Retained Restrictions on Alternative Actions and Intervals, With a New Exception

This paragraph restates the requirements of paragraph (k) of AD 2023–18–07, with a new exception. Except as required by paragraph (j) of this AD, after the maintenance or inspection program has been revised as required by paragraph (g) of this AD, no alternative actions (e.g., inspections) and intervals are allowed unless they are approved as specified in the provisions of the “Ref. Publications” section of EASA AD 2023–0058.

(j) New Revision of the Existing Maintenance or Inspection Program

Except as specified in paragraph (k) of this AD: Comply with all required actions and compliance times specified in, and in accordance with, EASA AD 2025–0123. Accomplishing the revision of the existing maintenance or inspection program required by this paragraph terminates the requirements of paragraph (g) of this AD.

(k) Exceptions to EASA AD 2025–0123

(1) This AD does not adopt the requirements specified in paragraphs (1) and (2) of EASA AD 2025–0123.

(2) Paragraph (3) of EASA AD 2025–0123 specifies revising “the approved AMP,” within 12 months after its effective date, but this AD requires revising the existing maintenance or inspection program, as applicable, within 90 days after the effective date of this AD.

(3) The initial compliance time for doing the tasks specified in paragraph (3) of EASA AD 2025–0123 is at the applicable “limitations” as incorporated by the requirements of paragraph (3) of EASA AD 2025–0123, or within 90 days after the effective date of this AD, whichever occurs later.

(4) This AD does not adopt the provisions specified in paragraphs (4) and (5) of EASA AD 2025–0123.

(5) This AD does not adopt the “Remarks” section of EASA AD 2025–0123.

(l) New Provisions for Alternative Actions and Intervals

After the existing maintenance or inspection program has been revised as required by paragraph (j) of this AD, no alternative actions (e.g., inspections) and intervals are allowed unless the actions and intervals are approved as specified in the

provisions of the “Ref. Publications” section of EASA AD 2025–0123.

(m) Additional AD Provisions

The following provisions also apply to this AD:

(1) *Alternative Methods of Compliance (AMOCs)*: The Manager, International Validation Branch, FAA, has the authority to approve AMOCs for this AD, if requested using the procedures found in 14 CFR 39.19. In accordance with 14 CFR 39.19, send your request to your principal inspector or responsible Flight Standards Office, as appropriate. If sending information directly to the manager of the International Validation Branch, send it to the attention of the person identified in paragraph (n) of this AD and email to: AMOC@faa.gov. Before using any approved AMOC, notify your appropriate principal inspector, or lacking a principal inspector, the manager of the responsible Flight Standards Office.

(2) *Contacting the Manufacturer*: For any requirement in this AD to obtain instructions from a manufacturer, the instructions must be accomplished using a method approved by the Manager, International Validation Branch, FAA; or EASA; or Dassault Aviation’s EASA Design Organization Approval (DOA). If approved by the DOA, the approval must include the DOA-authorized signature.

(n) Additional Information

For more information about this AD, contact Kimi Kim, Aviation Safety Engineer, FAA, 1600 Stewart Avenue, Suite 410, Westbury, NY 11590; phone: 781–238–7693; email: 9-AVS-AIR-BACO-COS@faa.gov.

(o) Material Incorporated by Reference

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

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

(3) The following material was approved for IBR on May 29, 2026.

(i) European Union Aviation Safety Agency (EASA) AD 2025–0123, dated May 28, 2025.

(ii) [Reserved]

(4) The following material was approved for IBR on November 2, 2023 (88 FR 66681, September 28, 2023).

(i) EASA AD 2023–0058, dated March 16, 2023.

(ii) [Reserved]

(5) For EASA material identified in this AD, contact EASA, Konrad-Adenauer-Ufer 3, 50668 Cologne, Germany; telephone +49 221 8999 000; email ADs@easa.europa.eu. You may find this material on the EASA website at ad.easa.europa.eu.

(6) You may view this material at the FAA, Airworthiness Products Section, Operational Safety Branch, 2200 South 216th St., Des Moines, WA. For information on the availability of this material at the FAA, call 206–231–3195.

(7) You may view this material at the National Archives and Records Administration (NARA). For information on the availability of this material at NARA,

visit www.archives.gov/federal-register/cfr/ibr-locations or email fr.inspection@nara.gov.

Issued on April 13, 2026.

Steven W. Thompson,
Acting Deputy Director, Compliance & Airworthiness Division, Aircraft Certification Service.

[FR Doc. 2026–08031 Filed 4–23–26; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. FAA–2026–3861; Project Identifier MCAI–2026–00003–Q; Amendment 39–23318; AD 2026–08–10]

RIN 2120–AA64

Airworthiness Directives; B/E Aerospace Fischer GmbH Medical Seats

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final rule; request for comments.

SUMMARY: The FAA is adopting a new airworthiness directive (AD) for certain B/E Aerospace Fischer GmbH (B/E Aerospace Fischer) Medical Seats 230/305. This AD was prompted by a determination that certain medical seats that are certified for aft facing (AF) and forward facing (FF) installations have been delivered with an incorrect version of the swivel unit. This AD requires modification and reidentification of the affected medical seats. The FAA is issuing this AD to address the unsafe condition on these products.

DATES: This AD is effective May 11, 2026.

The Director of the Federal Register approved the incorporation by reference of a certain publication listed in this AD as of May 11, 2026.

The FAA must receive comments on this AD by June 8, 2026.

ADDRESSES: You may send comments, using the procedures found in 14 CFR 11.43 and 11.45, by any of the following methods:

- *Federal eRulemaking Portal:* Go to regulations.gov. Follow the instructions for submitting comments.

- *Fax:* (202) 493–2251.

- *Mail:* U.S. Department of Transportation, Docket Operations, M–30, West Building Ground Floor, Room W12–140, 1200 New Jersey Avenue SE, Washington, DC 20590.

- *Hand Delivery:* Deliver to Mail address above between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

AD Docket: You may examine the AD docket at [regulations.gov](https://www.regulations.gov) under Docket No. FAA–2026–3861; or in person at Docket Operations between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The AD docket contains this final rule, the mandatory continuing airworthiness information (MCAI) any comments received, and other information. The street address for Docket Operations is listed above.

Material Incorporated by Reference:

- For Collins Aerospace material identified in this AD, contact Collins Aerospace at B/E Aerospace Fischer GmbH Engineering | Helicopter Seating, Mueller-Armack-Str. 4, 84034 Landshut, Germany; phone: +49 871 932 480; email: info.fischer@collins.com; website: collinsaerospace.com.

- You may view this material at the FAA, Airworthiness Products Section, Operational Safety Branch, 10101 Hillwood Parkway, Fort Worth, TX 76177. For information on the availability of this material at the FAA, call (817) 222–5110. It is also available at [regulations.gov](https://www.regulations.gov) under Docket No. FAA–2026–3861.

FOR FURTHER INFORMATION CONTACT: Brenda Buitrago Perez, Aviation Safety Engineer, FAA, 1600 Stewart Avenue, Suite 410, Westbury, NY 11590; phone: (516) 228–7368; email: 9-AVS-AIR-BACO-COS@faa.gov.

SUPPLEMENTARY INFORMATION:

Comments Invited

The FAA invites you to send any written data, views, or arguments about this final rule. Send your comments using a method listed under **ADDRESSES**. Include “Docket No. FAA–2026–3861; Project Identifier MCAI–2026–00003–Q” at the beginning of your comments. The most helpful comments reference a specific portion of the final rule, explain the reason for any recommended change, and include supporting data. The FAA will consider all comments received by the closing date and may amend this final rule because of those comments.

Except for Confidential Business Information (CBI) as described in the following paragraph, and other information as described in 14 CFR 11.35, the FAA will post all comments received, without change, to [regulations.gov](https://www.regulations.gov), including any personal information you provide. The agency will also post a report summarizing each substantive verbal contact received about this final rule.

Confidential Business Information

CBI is commercial or financial information that is both customarily and

actually treated as private by its owner. Under the Freedom of Information Act (FOIA) (5 U.S.C. 552), CBI is exempt from public disclosure. If your comments responsive to this AD contain commercial or financial information that is customarily treated as private, that you actually treat as private, and that is relevant or responsive to this AD, it is important that you clearly designate the submitted comments as CBI. Please mark each page of your submission containing CBI as “PROPIN.” The FAA will treat such marked submissions as confidential under the FOIA, and they will not be placed in the public docket of this AD. Submissions containing CBI should be sent to Brenda Buitrago Perez, Aviation Safety Engineer, FAA, 1600 Stewart Avenue, Suite 410, Westbury, NY 11590. Any commentary that the FAA receives which is not specifically designated as CBI will be placed in the public docket for this rulemaking.

Background

The European Union Aviation Safety Agency (EASA), which is the Technical Agent for the Member States of the European Union, has issued EASA AD 2025–0294R1, dated February 9, 2026 (EASA AD 2025–0294R1) (also referred to as the MCAI), to correct an unsafe condition on B/E Aerospace Fischer Medical Seat 230/305, part number (P/N) 9613–1–35–(), having serial numbers 3241, 3242, 3243, 3244, 3245, 3473, 3474, 3475, 3476, 3481, 3482, 3483, 3484, 3546, 3547, 3548, 3549, 3575, 3576, 3577, 3578, 3591, 3646, 3647, 3648, 3649, 3703, 3958, 3959, 3960, 3961, 4114, 4115, 4116, 4117, 4118, 4119, 4120, 4121, 4122, 4131, 4132, 4133, 4134, 4135, 4175, 4180, 4202, 4203, 4204, 4205, 4206, 4207, 4208, 4209, 4210, 4211, 4212 and 4213, installed on, but not limited to, Airbus Helicopters Deutschland (AHD) Model EC135 and MBB–BK 117 helicopters, Bell Textron Canada Limited Model 429 helicopters, and Bell Textron Inc. Model 412 helicopters. The MCAI states that a determination was made that certain seats that are certified for AF and FF installations have been delivered with an incorrect version of the swivel unit, which has been certified only for AF installation. The FAA is issuing this AD to address an incorrect version of the swivel unit on these medical seats. The unsafe condition, if not addressed, could result in injuries to the occupant during an emergency landing.

FAA’s Determination

These products have been approved by the civil aviation authority of another country and are approved for operation in the United States. Pursuant to the

FAA’s bilateral agreement with this State of Design Authority, that authority has notified the FAA of the unsafe condition described in the MCAI referenced above. The FAA is issuing this AD after determining that the unsafe condition described previously is likely to exist or develop on other products of the same type design.

Material Incorporated by Reference Under 1 CFR Part 51

The FAA reviewed Collins Aerospace Alert Service Bulletin SB 9613–005, Issue D, dated December 3, 2025. This material specifies procedures for modifying the AF certified swivel unit P/N 9715–1 into an FF and AF certified swivel unit P/N 9715–2 and restoring the approved design data and the certified level of safety for the affected variants of the Medical Seats 230/305. This material is reasonably available because the interested parties have access to it through their normal course of business or by the means identified in the **ADDRESSES** section.

AD Requirements

This AD requires either installing a placard on the affected medical seat or modifying and reidentifying of an affected medical seat, which is considered a terminating action for the actions required by this AD.

Justification for Immediate Adoption and Determination of the Effective Date

Section 553(b) of the Administrative Procedure Act (APA) (5 U.S.C. 551 *et seq.*) authorizes agencies to dispense with notice and comment procedures for rules when the agency, for “good cause,” finds that those procedures are “impracticable, unnecessary, or contrary to the public interest.” Under this section, an agency, upon finding good cause, may issue a final rule without providing notice and seeking comment prior to issuance. Further, section 553(d) of the APA authorizes agencies to make rules effective in less than thirty days, upon a finding of good cause.

An unsafe condition exists that requires the immediate adoption of this AD without providing an opportunity for public comments prior to adoption. The FAA has found that the risk to the flying public justifies forgoing notice and comment prior to adoption of this rule. The affected seats that were delivered with an incorrect swivel unit do not meet the approved crashworthiness configuration for forward-facing installations; therefore, the FAA has determined that the corrective action must be accomplished before further flight, in order to prevent injuries to the occupant during an

emergency landing. This compliance time is shorter than the time necessary for the public to comment and for publication of the final rule. Accordingly, notice and opportunity for prior public comment are impracticable and contrary to the public interest pursuant to 5 U.S.C. 553(b). In addition, the FAA finds that good cause exists pursuant to 5 U.S.C. 553(d)

for making this amendment effective in less than 30 days, for the same reasons the FAA found good cause to forgo notice and comment.

Regulatory Flexibility Act

The requirements of the Regulatory Flexibility Act (RFA) do not apply when an agency finds good cause pursuant to 5 U.S.C. 553 to adopt a rule without

prior notice and comment. Because FAA has determined that it has good cause to adopt this rule without prior notice and comment, RFA analysis is not required.

Costs of Compliance

The FAA estimates that this AD affects 59 medical seats. The FAA estimates the following costs to comply with this AD:

ESTIMATED COSTS				
Action	Labor cost	Parts cost	Cost per product	Cost on U.S. operators
Modify and reidentify medical seat	1 work-hour × \$85 per hour = \$85	\$25	\$110	\$6,490
Install a placard on an affected medical seat	1 work-hour × \$85 per hour = \$85	0	85	5,015

Either the modification or the placard requirement would be required by this AD. The placard would be a minimal parts cost.

The FAA has included all known costs in its cost estimate. According to the manufacturer, however, some of the costs of this AD may be covered under warranty, thereby reducing the cost impact on affected operators.

Authority for This Rulemaking

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

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

Regulatory Findings

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

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

(1) Is not a “significant regulatory action” under Executive Order 12866, and

(2) Will not affect intrastate aviation in Alaska.

List of Subjects in 14 CFR Part 39

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

The Amendment

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

PART 39—AIRWORTHINESS DIRECTIVES

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

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

§ 39.13 [Amended]

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

2026–08–10 B/E Aerospace Fischer GmbH Medical Seats: Amendment 39–23318; Docket No. FAA–2026–3861; Project Identifier MCAI–2026–00003–Q.

(a) Effective Date

This airworthiness directive (AD) is effective May 11, 2026.

(b) Affected ADs

None.

(c) Applicability

(1) This AD applies to B/E Aerospace Fischer GmbH (B/E Aerospace Fischer) Medical Seat 230/305 with a part number (P/N) and serial number combination listed in Table 1—affected P/Ns, in Paragraph 1.1 SB [Service Bulletin] Effectivity of Collins Aerospace Alert Service Bulletin (ASB) SB 9613–005, Issue D, dated December 3, 2025 (Collins Aerospace ASB SB 9613–005, Issue D).

(2) These seats are known to be installed on but not limited to: Airbus Helicopters Deutschland (AHD) Model EC135 and MBB–BK 117 helicopters, Bell Textron Canada Limited Model 429 helicopters, and Bell Textron Inc. Model 412 helicopters, certificated in any category.

(d) Subject

Joint Aircraft System Component (JASC) Code 2520, Passenger compartment equipment.

(e) Unsafe Condition

This AD was prompted by a determination that certain medical seats that are certified for aft facing (AF) and forward facing (FF) installations have been delivered with an incorrect version of the swivel unit. The FAA is issuing this AD to address an incorrect version of the swivel unit on these medical seats. The unsafe condition, if not addressed, could result in injuries to the occupant during an emergency landing.

(f) Compliance

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

(g) Required Actions

For medical seats identified in paragraph (c) of this AD, before further flight after the effective date of this AD, accomplish one of the following:

(1) Install a placard with the words “Do not occupy” on the affected medical seat; or

(2) Modify each AF certified swivel unit P/N 9715–1 into an FF and AF certified swivel unit P/N 9715–2 in accordance with the Accomplishment Instructions paragraphs 3.1.2 and 3.2 of Collins Aerospace ASB SB 9613–005, Issue D. This modification is considered a terminating action for this AD.

(h) Credit for Previous Actions

This paragraph provides credit for the actions required by paragraph (g)(2) of this AD, if those actions were performed before the effective date of this AD using Collins Aerospace ASB, SB 9613–005, Issue A, dated August 8, 2024; Issue B, dated October 24, 2024; or Issue C, dated November 13, 2024.

(i) Special Flight Permits

Special flight permits may be issued in accordance with 14 CFR 21.197 and 21.199 to operate the helicopter to a location where the actions of this AD can be accomplished, provided an affected medical seat identified in paragraph (c) of this AD is not occupied in the FF configuration.

(j) Alternative Methods of Compliance (AMOCs)

(1) The Manager, International Validation Branch, FAA, has the authority to approve AMOCs for this AD, if requested using the procedures found in 14 CFR 39.19. In accordance with 14 CFR 39.19, send your request to your principal inspector or local Flight Standards District Office, as appropriate. If sending information directly to the manager of the International Validation Branch, send it to the attention of the person identified in paragraph (k)(1) of this AD and email to AMOC@faa.gov.

(2) Before using any approved AMOC, notify your appropriate principal inspector, or lacking a principal inspector, the manager of the local flight standards district office/certificate holding district office.

(k) Additional Information

(1) For more information about this AD, contact Brenda Buitrago Perez, Aviation Safety Engineer, FAA, 1600 Stewart Avenue, Suite 410, Westbury, NY 11590; phone: (516) 228-7368; email: 9-AVS-AIR-BACO-COS@faa.gov.

(2) Material that is not incorporated by reference can be found at the contact information identified in paragraph (l)(3) of this AD.

(l) Material Incorporated by Reference

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

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

(i) Collins Aerospace Alert Service Bulletin SB 9613-005, Issue D, dated December 3, 2025.

(ii) [Reserved]

(3) For Collins Aerospace material identified in this AD, contact Collins Aerospace at B/E Aerospace Fischer GmbH Engineering | Helicopter Seating, Mueller-Armack-Str. 4, 84034 Landshut, Germany; phone: +49 871 932 480; email: info.fischer@collins.com; website: collinsaerospace.com.

(4) You may view this material at the FAA, Airworthiness Products Section, Operational Safety Branch, 10101 Hillwood Parkway, Fort Worth, TX 76177. For information on the availability of this material at the FAA, call (817) 222-5110.

(5) You may view this material at the National Archives and Records Administration (NARA). For information on the availability of this material at NARA, visit www.archives.gov/federal-register/cfr/ibr-locations or email fr.inspection@nara.gov.

Issued on April 20, 2026.

Steven W. Thompson,

Acting Deputy Director, Compliance & Airworthiness Division, Aircraft Certification Service.

[FR Doc. 2026-08003 Filed 4-23-26; 8:45 am]

BILLING CODE 4910-13-P

DEPARTMENT OF TRANSPORTATION**Federal Aviation Administration****14 CFR Part 39**

[Docket No. FAA-2025-0918; Project Identifier AD-2024-00526-E; Amendment 39-23301; AD 2026-07-06]

RIN 2120-AA64

Airworthiness Directives; Pratt & Whitney Engines

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final rule.

SUMMARY: The FAA is adopting a new airworthiness directive (AD) for certain Pratt & Whitney (PW) Model F117-PW-100, PW2037, PW2037D, PW2037M, PW2040, and PW2040D engines. This AD was prompted by an updated analysis of an event involving an International Aero Engines, LLC (IAE LLC) Model PW1127GA-JM engine, which experienced a high-pressure compressor (HPC) 7th-stage integrally bladed rotor (IBR-7) separation that resulted in an engine shutdown and aborted takeoff. This AD requires repetitive angled ultrasonic inspections (AUSIs) of certain high-pressure turbine (HPT) 1st-stage disks and turbine hubs for any crack indications, and if necessary, removal from service and replacement, and removal from service of certain HPT lenticular seal assemblies. The FAA is issuing this AD to address the unsafe condition on these products.

DATES: This AD is effective May 29, 2026.

The Director of the Federal Register approved the incorporation by reference (IBR) of certain publications listed in this AD as of May 29, 2026.

ADDRESSES:

AD Docket: You may examine the AD docket at regulations.gov under Docket No. FAA-2025-0918; or in person at Docket Operations between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The AD docket contains this final rule, any comments received, and other information. The address for Docket Operations is U.S. Department of Transportation, Docket Operations, M-30, West Building

Ground Floor, Room W12-140, 1200 New Jersey Avenue SE, Washington, DC 20590.

Material Incorporated by Reference:

- For PW material identified in this AD, contact PW, 400 Main Street, East Hartford, CT 06118; phone: (860) 565-0140; email: help24@prattwhitney.com; website: connect.prattwhitney.com.

- You may view this material at the FAA, Airworthiness Products Section, Operational Safety Branch, 1200 District Avenue, Burlington, MA 01803. For information on the availability of this material at the FAA, call (817) 222-5110. It is also available at regulations.gov under Docket No. FAA-2025-0918.

FOR FURTHER INFORMATION CONTACT:

Molly Sturgis, Aviation Safety Engineer, FAA, 2200 South 216th Street, Des Moines, WA 98198; phone: (562) 627-5373; email: molly.a.sturgis@faa.gov.

SUPPLEMENTARY INFORMATION:**Background**

The FAA issued a notice of proposed rulemaking (NPRM) to amend 14 CFR part 39 by adding an AD that would apply to certain PW Model F117-PW-100, PW2037, PW2037D, PW2037M, PW2040, PW2040D, PW2043, PW2143, and PW2643 engines. The NPRM was published in the **Federal Register** on June 2, 2025 (90 FR 23294). The NPRM was prompted by an updated analysis of an event involving an IAE LLC Model PW1127GA-JM engine, which experienced an HPC IBR-7 separation that resulted in an engine shutdown and aborted takeoff. The analysis revealed that the failure was caused by a nickel powdered metal anomaly and concluded that there is an increased risk of failure for additional nickel powdered metal parts in certain nickel powdered metal production campaigns, and these parts are susceptible to failure much earlier than previously determined. In the NPRM, the FAA proposed to require repetitive AUSIs of certain HPT 1st-stage disks and turbine hubs for any crack indications, and if necessary, removal from service and replacement, and removal from service of certain HPT lenticular seal assemblies. During the publication process of this AD, the type certificate data sheet (TCDS) was revised and PW Model PW2043, PW2143, and PW2643 engines were removed from the TCDS. Therefore, this final rule does not apply to those engine models. The FAA is issuing this AD to address the unsafe condition on these products.

Discussion of Final Airworthiness Directive

Updated Material

Since the NPRM was published, the manufacturer has published PW Alert Service Bulletin (ASB) PW2000 A72–779, Revision No. 1, dated December 17, 2025. This material corrects an incorrect maintenance manual task reference for disassembly of components and all other information is the same as the material in the NPRM. The FAA has revised the final rule to reference PW ASB PW2000 A72–779, Revision No. 1, dated December 17, 2025, as the appropriate source of material for the AUSIs of the HPT 1st-stage disk.

Comments

The FAA received comments from five commenters. The commenters were The Boeing Company (Boeing), Delta Air Lines (DAL), FedEx, MTU Maintenance Hannover GmbH (MTU), and PW. Boeing concurred with the contents of the NPRM. The following presents the comments received on the NPRM and the FAA's response to each comment.

Discussion Regarding the Applicability of the NPRM

MTU stated that the applicability of certain cited material in the proposed AD does not match the applicability in the proposed AD. MTU indicated that the material applies to PW Model PW2037, PW2037(M), and PW2040 engines, while the proposed AD applies to several civil PW2000 engine models.

PW pointed out that the proposed AD would apply to PW Model PW2043, PW2143, and PW2643 engines, none of which are in service. PW indicated that a request has been submitted to the FAA for withdrawal of these models from the TCDS; however, the update was not yet published. PW stated that there are no necessary actions, or operator burden imposed by including these models in the AD.

The FAA acknowledges the observations from MTU and PW. The FAA is aware that certain PW Models are included in the applicability of this AD but are not listed in the material. During the publication process of this AD, the TCDS has been revised and PW Model PW2043, PW2143, and PW2643 engines have been removed. Therefore, those same model engines have been removed from this AD.

Request To Revise the Cost of Compliance

DAL and FedEx requested that the FAA revise the Cost of Compliance section of the proposed AD to reflect 14

HPT lenticular seal assemblies. Both commenters indicated that figure 1 to paragraph (g)(4) of the proposed AD lists 14 seal assemblies by part number and serial number, but the Estimated Costs table lists only 13 engines that require replacement. Additionally, DAL stated that the manufacturer has confirmed that 14 is the correct number of affected seals.

The FAA agrees for the reasons provided and has revised the Cost of Compliance section of this AD to indicate there are 14 affected HPT lenticular seal assemblies.

Request for Re-Inspection Procedure Guidance

DAL requested that the FAA revise paragraphs (g) and (h) of the proposed AD to specifically state whether HPT 1st-stage disks and turbine hubs are authorized to be re-inspected after initially failing an angled ultrasonic inspection (AUSI), and if so, whether the parts may be returned to service upon passing a re-inspection. DAL indicated that certain parts have failed initial AUSI but then passed re-inspection, however the parts were tagged as unserviceable. The commenter asserted that none of the IBR material provides disposition instructions for parts that pass a re-inspection.

The FAA disagrees with the request. The current revisions of Non-Destructive Inspection Procedure (NDIP)–1282 and NDIP–1283 contain procedures for the AUSI inspections and re-inspections, and are second-tier references in the IBR material that are necessary to complete the actions specified in this AD. The FAA did not change this AD as a result of this comment.

Request To Include Engine Manual (EM) Tasks as Material

DAL and MTU requested that the FAA update paragraphs (g)(1) and (2) of the proposed AD to include certain PW2000 EM tasks as additional material for compliance for the HPT 1st-stage disk and turbine hub inspections in addition to the referenced Alert Service Bulletins (ASBs). DAL stated that the EM provides the same AUSI scan tasks as the ASBs, and that PW previously incorporated the NDIPs into the EM tasks. DAL also noted that adding this reference as an option will provide an acceptable level of safety.

The FAA disagrees with the request. In determining an appropriate set of required actions for this unsafe condition, the FAA considered the recommendations of the manufacturer, the urgency associated with the subject unsafe condition, and the practical

aspect of accomplishing the required actions using the specified material for most affected operators. However, under the provisions specified in paragraph (j) of this AD, the FAA will consider requests for alternative methods of compliance (AMOCs). The FAA did not change this AD as a result of this comment.

Request To Include Certain Assembly Part Numbers

DAL requested that the FAA include the assembly part numbers of the HPT 1st-stage disk assembly and turbine hub assembly, and the detail part numbers of the HPT 1st-stage disks and turbine hubs in paragraphs (h) and (i) of the proposed AD. DAL stated that the Form 8130s, received with each of the parts, occasionally list the assembly level part number instead of the detail part number, and operators sometimes track the parts at the assembly level. DAL indicated that specifying both the detail and assembly part numbers would help to reduce confusion regarding which parts are affected by the NPRM.

The FAA disagrees with the request but agrees that clarification is necessary. The definitions specified in paragraphs (h)(2)(i) through (vi), and the prohibitions specified in paragraphs (j)(1) and (2) of this AD are dependent on the part having passed the AUSI requirements specified in paragraph (g) of this AD, which apply to the detail part number only. Additionally, an AUSI will be completed on a detail part number at new manufacture, but not on an assembly part number. The FAA did not change this AD as a result of this comment.

Request To Include Threshold Date for Parts Inspected at Manufacture

DAL requested that the FAA update paragraphs (h)(2)(iii) and (h)(2)(vi) of the proposed AD to provide an FAA Form 8130–3 date after which all new zero-time HPT 1st-stage disks and turbine hubs can be considered parts eligible for installation. MTU requested clarification of how to determine which new manufacture parts have passed an AUSI during production. PW requested that the FAA remove paragraphs (h)(2)(iii) and (vi) of the proposed AD and proposed that the FAA allow all new manufactured parts to be eligible for installation regardless of confirmation of receiving an AUSI. PW indicated its fleet management plan does not require confirmation that new affected parts have received an AUSI during manufacture to be eligible for installation. PW also stated that all new parts shipped to PW as of March 1, 2025, have received AUSIs during

manufacture, and that all commercial inventory available from PW commercial spares have received an AUSI. DAL indicated that the manufacturer should have the ability to provide proof that new parts have passed an AUSI and are eligible for installation, that operators do not have access to the data, and placing the burden of proof on operators is tedious and problematic. DAL also stated that if providing proof is not possible, then the manufacturer should have the ability to guarantee to the FAA and operators that all newly manufactured parts with an FAA Form 8130-3 dated after a certain date have passed an AUSI and are eligible for installation.

The FAA agrees with the requests. Since operators do not have access to the necessary data to determine whether zero-time components have passed an AUSI at new part manufacture, the FAA has determined that the responsible party may determine if the part is eligible for installation based on the date specified on the FAA Form 8130-3. The FAA has revised paragraphs (h)(2)(iii) and (h)(2)(vi) of this AD by removing the words “that has passed an AUSI at new part production” and replacing them with “that has an FAA Form 8130-3 from the original equipment manufacturer for new production dated March 1, 2025, or later.”

Request To Remove Certain Definitions

DAL requested that the FAA remove paragraphs (h)(2)(ii) and (v) of the proposed AD, eliminating the references to NDIP-1282 and NDIP-1283. DAL stated that those paragraphs do not provide a revision level or date for the NDIPs which could cause confusion regarding compliance or whether an AMOC might be required to allow use of future revisions of the NDIPs. DAL indicated that those paragraphs all appear to have the same intent; an AUSI performed on parts that are not new production, with a passing result that is documented.

The FAA disagrees with the request. The NDIPs referenced in paragraphs (h)(2)(ii) and (v) of this AD are necessary because some parts may have received an AUSI in compliance with NDIP-1282 or NDIP-1283 prior to publication of this AD. Additionally, the revision of the NDIP is not relevant, as all revisions are acceptable to the FAA for the purposes of this AD. The FAA did not change this AD as a result of this comment.

Request To Update Definition of “Piece-Part Exposure”

DAL requested that the FAA revise the definition of “piece-part exposure” in paragraph (h)(1)(i) and (ii) of the proposed AD (for the HPT 1st-stage disk and turbine hub) to include removal of all parts from the disk and hub and correspond with certain PW2000 EM disassembly tasks. DAL pointed out that the disk and hub can be removed from the engine as specified in the NPRM, with all the blades removed, but for the associated PW2000 EM disassembly tasks, removing the blades from the disk or hub is not the final step in the process and some parts remain installed on the disk or hub. DAL also stated certain workscope levels provided by the manufacturer to operators could be nullified by the definition provided in the NPRM.

The FAA agrees with the request for the reasons provided. The FAA has revised paragraph (h)(1)(i) of this AD to state: “. . . when the HPT 1st-stage disk is removed from the engine and all blades, all retaining plates, and all airseals are removed from the HPT 1st-stage disk.” The FAA has revised paragraph (h)(1)(ii) of this AD to state: “. . . when the turbine hub is removed from the engine and all blades and all retaining plates are removed from the turbine hub.”

Request To Remove Revision Date From Referenced Service Bulletins

FedEx requested that the FAA revise certain material citations specified in paragraphs (g)(1) and (2) of the proposed AD to read “dated May 2, 2024, or later,” or remove the revision date entirely. FedEx stated that if the material is revised in the future, an AMOC would be required for implementation. FedEx also stated that removing the date would minimize the effect on operator engineering orders and maintenance, repair, and overhaul (MRO) inspection provider procedures.

The FAA disagrees with the request. To IBR the material specified in this AD, the citation must refer to a specific document, including the specific revision date. Additionally, the FAA is unable to cite a future revision to a document which does not yet exist. The FAA also notes that, since the NPRM was published, PW has published PW ASB PW2000 A72-779, Revision No. 1, dated December 17, 2025. The FAA has revised this AD to reference PW ASB PW2000 A72-779, Revision No. 1, dated December 17, 2025 as the appropriate source of material for the AUSIs of the HPT 1st-stage disk. The FAA did not

change this AD as a result of this comment.

Request To Standardize Compliance Documentation

FedEx requested that the FAA revise paragraph (h)(2)(i) of the proposed AD to state that for all affected parts, used or new production, compliance must be recorded on the associated FAA Form 8130-3, and delete paragraphs (h)(2)(ii), (h)(2)(iii), (h)(2)(v), and (h)(2)(vi). FedEx stated that the specific document type associated with the terms “certificate of conformance” and “passed an AUSI at new part production” is not defined in the NPRM, and that during records verification or audits, the document format or content may be considered invalid. FedEx indicated that a single compliance standard would help to clarify the definitions and the installation prohibition included in paragraphs (i)(1) and (2) of the proposed AD.

The FAA disagrees with the request. The proposed document (FAA Form 8130-3) does not contain the information necessary to show compliance. The FAA did not change this AD as a result of this comment.

Request To Mandate Airworthiness Limitation Section (ALS) Updates Instead of Service Material

PW requested that the FAA revise the NPRM to require updating the ALS instead of the actions specified in the service material. PW stated that the inspections specified in the service material for the HPT 1st-stage disks and 2nd-stage hubs have been included in the ALS/Enhanced Rotor Inspection (ERI) requirements of the EM as of February 2025 and are now duplicate requirements.

The FAA disagrees with the request. However, the FAA finds that updating the ALS provides acceptable mitigation of the unsafe condition. The FAA has added paragraph (i) of this AD to include optional terminating action for operators that update their ALS to include the inspections required by paragraphs (g)(1) through (3) of this AD.

Request To Allow Cycle Limit for a Certain HPT Lenticular Seal Assembly

PW requested that the FAA revise figure 1 to paragraph (g)(4) of the proposed AD to add a note to serial number DKLBG48292 stating “or 2,750 cycles since new, whichever occurs first.” PW stated that it has previously communicated to an operator a 2,750 cycle since new removal requirement for this serial number, while all other HPT lenticular seal assemblies identified in figure 1 to paragraph (g)(4)

of the proposed AD only require removal at the next piece-part exposure. The FAA agrees with the request. The FAA has removed serial number DKLBG48292 from figure 1 to paragraph (g)(4) of this AD and moved that serial number to paragraph (g)(5) of this AD, which states “. . . or before exceeding 2,750 cycles since new, whichever occurs first. . .”

Request To Include Additional Serial Numbers

PW requested that the FAA add 25 HPT lenticular seal assembly serial numbers, which are installed on PW Model F117–PW–100 engines, to figure 1 to paragraph (g)(4) of the proposed AD. PW stated that the serial numbers were omitted from the NPRM. The FAA agrees with the request. The FAA has added the missing serial numbers to figure 1 to paragraph (g)(4) of this AD. However, the Cost of Compliance section has not changed because the additional HPT lenticular seal assemblies are installed on F117

engines which are not installed on U.S. registered airplanes.

Conclusion

The FAA reviewed the relevant data, considered any comments received, and determined that air safety requires adopting this AD as proposed. Accordingly, the FAA is issuing this AD to address the unsafe condition on these products. Except for minor editorial changes, and any other changes described previously, this AD is adopted as proposed in the NPRM. None of the changes will increase the economic burden on any operator.

Material Incorporated by Reference Under 1 CFR Part 51

The FAA reviewed PW ASB PW2000 A72–779, Revision No. 1, dated December 17, 2025, and PW ASB PWF117 A72–434, dated May 1, 2024, which specify procedures for repetitive AUSIs of the HPT 1st-stage disk for crack indications. This material is

distinct since each applies to different engine models. The FAA also reviewed PW ASB PW2000 A72–780, dated May 2, 2024, and PW ASB PWF117 A72–433, dated May 1, 2024, which specify procedures for repetitive AUSIs of the turbine hub. This material is distinct since each applies to different engine models. This material is reasonably available because the interested parties have access to it through their normal course of business or by the means identified in the ADDRESSES section.

Costs of Compliance

The FAA estimates that this AD affects 484 engines installed on airplanes of U.S. registry. The FAA estimates that 14 engines will require replacement of the HPT lenticular seal assembly. PW Model F117–PW–100 engines, which are not installed on U.S. registered airplanes, are not included in this cost estimate. The FAA estimates the following costs to comply with this AD:

ESTIMATED COSTS				
Action	Labor cost	Parts cost	Cost per product	Cost on U.S. operators
AUSI of HPT 1st-stage disk	5 work-hours × \$85 per hour = \$425	\$0	\$425	\$205,700
AUSI of turbine hub	5 work-hours × \$85 per hour = \$425	0	425	205,700
Replacement of HPT lenticular seal assembly (14 engines).	13 work-hours × \$85 per hour = \$1,105	511,240	512,345	7,172,830

The FAA estimates the following costs to do any replacements that would be required based on the results of the

proposed inspections. The agency has no way of determining the number of

engines that might need these replacements:

ON-CONDITION COSTS			
Action	Labor cost	Parts cost	Cost per product
Replacement of HPT 1st-stage disk	10 work-hours × \$85 per hour = \$850	\$730,000	\$730,850
Replacement of turbine hub	10 work-hours × \$85 per hour = \$850	500,000	500,850

Authority for This Rulemaking

Title 49 of the United States Code specifies the FAA’s authority to issue rules on aviation safety. Subtitle I, section 106, describes the authority of the FAA Administrator. Subtitle VII: Aviation Programs, describes in more detail the scope of the Agency’s authority. The FAA is issuing this rulemaking under the authority described in Subtitle VII, Part A, Subpart III, Section 44701: General requirements. Under that section, Congress charges the FAA with promoting safe flight of civil aircraft in air commerce by prescribing regulations for practices, methods, and

procedures the Administrator finds necessary for safety in air commerce. This regulation is within the scope of that authority because it addresses an unsafe condition that is likely to exist or develop on products identified in this rulemaking action. Regulatory Findings This AD will not have federalism implications under Executive Order 13132. This AD will not have a substantial direct effect on the States, on the relationship between the national government and the States, or on the distribution of power and responsibilities among the various levels of government.

For the reasons discussed above, I certify that this AD: (1) Is not a “significant regulatory action” under Executive Order 12866, (2) Will not affect intrastate aviation in Alaska, and (3) Will not have a significant economic impact, positive or negative, on a substantial number of small entities under the criteria of the Regulatory Flexibility Act. List of Subjects in 14 CFR Part 39 Air transportation, Aircraft, Aviation safety, Incorporation by reference, Safety.

The Amendment

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

PART 39—AIRWORTHINESS DIRECTIVES

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

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

§ 39.13 [Amended]

- 2. The FAA amends § 39.13 by adding the following new airworthiness directive:

2026–07–06 Pratt & Whitney: Amendment 39–23301; Docket No. FAA–2025–0918; Project Identifier AD–2024–00526–E.

(a) Effective Date

This airworthiness directive (AD) is effective May 29, 2026.

(b) Affected ADs

None.

(c) Applicability

This AD applies to Pratt & Whitney (PW) Model F117–PW–100, PW2037, PW2037D, PW2037M, PW2040, and PW2040D engines.

(d) Subject

Joint Aircraft System Component (JASC) Code 7250, Turbine Section.

(e) Unsafe Condition

This AD was prompted by an updated analysis of an event involving an International Aero Engines, LLC Model PW1127GA–JM engine, which experienced a high-pressure compressor 7th-stage integrally bladed rotor separation that resulted in an engine shutdown and aborted takeoff. The FAA is issuing this AD to prevent failure of the high-pressure turbine (HPT) 1st-stage disk, and turbine hub. The unsafe condition, if not addressed, could result in uncontained disk failure, release of high-energy debris, damage to the engine, damage to the airplane, and possible loss of the airplane.

(f) Compliance

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

(g) Required Actions

(1) At the next piece-part exposure after the effective date of this AD and thereafter at every piece-part exposure, do an angled ultrasonic inspection (AUSI) of the HPT 1st-stage disk for any crack indications in accordance with Paragraph 4. of the Accomplishment Instructions of PW Alert Service Bulletin (ASB) PW2000 A72–779, Revision No. 1, dated December 17, 2025, or Paragraph 4. of the Accomplishment Instructions of PW ASB PWF117 A72–434, dated May 1, 2024, as applicable to the engine model.

(2) At the next piece-part exposure after the effective date of this AD and thereafter at every piece-part exposure, do an AUSI of the turbine hub for any crack indications in accordance with Paragraph 4. of the Accomplishment Instructions of PW ASB PW2000 A72–780, dated May 2, 2024, or Paragraph 4. of the Accomplishment Instructions of PW ASB PWF117 A72–433, dated May 1, 2024, as applicable to the engine model.

(3) If, during any inspection required by paragraph (g)(1) or (2) of this AD, any crack indication is found, remove the affected part from service and replace with a part eligible for installation.

(4) For engines with an installed HPT lenticular seal assembly having a part number (P/N) and serial number (S/N) identified in figure 1 to paragraph (g)(4) of this AD: At the next piece-part exposure after the effective date of this AD, remove the HPT lenticular seal assembly from service and replace with a part eligible for installation.

FIGURE 1 TO PARAGRAPH (g)(4)—AFFECTED HPT LENTICULAR SEAL ASSEMBLIES

P/N	S/N
1B8575	DKLBG48210
1B8575	DKLBG48244
1B8575	*DKLBGY5898
1B8575	*DKLBGY5907
1B8575	*DKLBGY5908
1B8575	*DKLBGY5911
1B8575	*DKLBGY5913
1B8575	*DKLBGY5915
1B8575	*DKLBGY5916
1B8575	DKLBGY5919
1B8575	*DKLBGY5921
1B8575	DKLBGY5922
1B8575	*DKLBGY5923
1B8575	*DKLBGY5924
1B8575	*DKLBGY5925
1B8575	*DKLBGY5926
1B8575	*DKLBGY5928
1B8575	*DKLBGY5929
1B8575	*DKLBGY5930
1B8575	*DKLBGY5931
1B8575	*DKLBGY5932
1B8575	*DKLBGY5934
1B8575	*DKLBGY5935
1B8575	DKLBGY5936
1B8575	*DKLBGY5937
1B8575	*DKLBGY5938
1B8575	*DKLBGY5939
1B8575	*DKLBGY5940
1B8575	*DKLBGY5941
1B8575	*DKLBGY5943
1B8575	DKLBGY5944
1B8575	DKLBGY5945
1B8575	DKLBGY5946
1B8575	DKLBGY5948
1B8575	DKLBGY5949
1B8575	DKLBGY5952
1B8575	DKLBGY5953
1B8575	DKLBGY5959

* Serial numbers are PW Model F117–PW–100 engines which are not installed on U.S. registered airplanes.

(5) For an HPT lenticular seal assembly having P/N 1B8575 and S/N DKLBG48292: At the next piece-part exposure after the effective date of this AD or before exceeding 2,750 cycles since new, whichever occurs first, remove the HPT lenticular seal assembly from service and replace with a part eligible for installation.

(h) Definitions

(1) For the purpose of this AD, a “piece-part exposure” is:

(i) For paragraph (g)(1) of this AD, when the HPT 1st-stage disk is removed from the engine and all blades, all retaining plates, and all air seals are removed from the HPT 1st-stage disk.

(ii) For paragraph (g)(2) of this AD, when the turbine hub is removed from the engine and all blades and all retaining plates are removed from the turbine hub.

(iii) For paragraph (g)(4) of this AD, when the HPT lenticular seal assembly is removed from either the HPT 1st-stage disk or the HPT 2nd-stage hub.

(2) For the purpose of this AD, a “part eligible for installation” is:

(i) An HPT 1st-stage disk having P/N 1B7801, 1B3601, or 1B3601–001 that has passed the AUSI required by paragraph (g)(1) of this AD.

(ii) An HPT 1st-stage disk having P/N 1B7801, 1B3601, or 1B3601–001, that has a certificate of conformance that shows compliance with Non-Destructive Inspection Procedure (NDIP)-1282.

(iii) A new zero-time HPT 1st-stage disk having P/N 1B7801, 1B3601, or 1B3601–001 that has an FAA Form 8130–3 from the original equipment manufacturer for new production dated March 1, 2025, or later.

(iv) A turbine hub having P/N 1B4902, 1B6602, or 1B8002 that has passed the AUSI required by paragraph (g)(2) of this AD.

(v) A turbine hub having P/N 1B4902, 1B6602, or 1B8002 that has a certificate of conformance that shows compliance with NDIP–1283.

(vi) A new zero-time turbine hub having P/N 1B4902, 1B6602, or 1B8002 that has an FAA Form 8130–3 from the original equipment manufacturer for new production dated March 1, 2025, or later.

(vii) Any HPT lenticular seal assembly that does not have a part number and serial number identified in figure 1 to paragraph (g)(4) of this AD

(i) Optional Terminating Action

Revising the airworthiness limitations section (ALS) of the existing engine manual and the operator’s existing approved maintenance program or inspection program, as applicable, by incorporating the information in figure 2 to paragraph (i) of this AD, constitutes terminating action for the inspections required by paragraphs (g)(1) through (3) of this AD.

FIGURE 2 TO PARAGRAPH (i)—ALS ADDITIONAL INSPECTIONS

	Engine manual	Chapter/section	HPT enhanced inspection requirements	Section	Additional inspection
PW2000	1A6231	05-10-00	Table 807 HPT 1st-stage disk	72-52-02	Revision Date: 2025-02-01. Immersion Ultrasonic inspect disk. Refer to 72-52-02, Inspection/Check-07 (Task 72-52-02-200-008).
			Hub—HPT Stage 2	72-52-16	Immersion Ultrasonic inspect hub. Refer to 72-52-16, Inspection/Check-08 (Task 72-52-16-200-009).
F117-PW-100	1B2412	05-10-00	Table 802 HPT 1st-stage disk	72-52-02	Revision Date: 2025-02-01. Immersion Ultrasonic inspect disk. Refer to 72-52-02, Inspection/Check-07 (Task 72-52-02-200-007).
.....			Hub—HPT Stage 2	72-52-16	Immersion Ultrasonic inspect hub. Refer to 72-52-16, Inspection/Check-08 (Task 72-52-16-200-008).

(j) Installation Prohibition

(1) As of the effective date of this AD, no person may install on any engine, an HPT 1st-stage disk having P/N 1B7801, 1B3601, or 1B3601-001, unless it is a part eligible for installation as defined in paragraph (h)(2) of this AD.

(2) As of the effective date of this AD, no person may install on any engine, a turbine hub having P/N 1B4902, 1B6602, or 1B8002, unless it is a part eligible for installation as defined in paragraph (h)(2) of this AD.

(3) As of the effective date of this AD, no person may install on any engine, an HPT lenticular seal assembly having a part number and serial number identified in figure 1 to paragraph (g)(4) of this AD.

(k) Alternative Methods of Compliance (AMOCs)

(1) The Manager, AIR-520 Continued Operational Safety Branch, FAA, has the authority to approve AMOCs for this AD, if requested using the procedures found in 14 CFR 39.19. In accordance with 14 CFR 39.19, send your request to your principal inspector or local Flight Standards District Office, as appropriate. If sending information directly to the manager of the AIR-520 Continued Operational Safety Branch, send it to the attention of the person identified in paragraph (l) of this AD and email to: AMOC@faa.gov.

(2) Before using any approved AMOC, notify your appropriate principal inspector, or lacking a principal inspector, the manager of the local flight standards district office/certificate holding district office.

(l) Additional Information

For more information about this AD, contact Molly Sturgis, Aviation Safety Engineer, FAA, 2200 South 216th Street, Des Moines, WA 98198; phone: (562) 627-5373; email: molly.a.sturgis@faa.gov.

(m) Material Incorporated by Reference

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

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

(i) Pratt & Whitney (PW) Alert Service Bulletin (ASB) PW2000 A72-779, Revision No. 1, dated December 17, 2025.

(ii) PW ASB PW2000 A72-780, dated May 2, 2024.

(iii) PW ASB PWF117 A72-433, dated May 1, 2024.

(iv) PW ASB PWF117 A72-434, dated May 1, 2024.

(3) For PW material identified in this AD, contact PW, 400 Main Street, East Hartford, CT 06118; phone: (860) 565-0140; email: help24@prattwhitney.com; website: connect.prattwhitney.com.

(4) You may view this material at the FAA, Airworthiness Products Section, Operational Safety Branch, 1200 District Avenue, Burlington, MA 01803. For information on the availability of this material at the FAA, call (817) 222-5110.

(5) You may view this material at the National Archives and Records Administration (NARA). For information on the availability of this material at NARA, visit www.archives.gov/federal-register/cfr/ibr-locations or email fr.inspection@nara.gov.

Issued on April 10, 2026.

Brian Knaup,

Acting Deputy Director, Integrated Certificate Management Division, Aircraft Certification Service.

[FR Doc. 2026-08106 Filed 4-23-26; 8:45 am]

BILLING CODE 4910-13-P

DEPARTMENT OF TRANSPORTATION**Federal Aviation Administration****14 CFR Part 39**

[Docket No. FAA-2026-0727; Project Identifier MCAI-2025-01659-T; Amendment 39-23312; AD 2026-08-04]

RIN 2120-AA64

Airworthiness Directives; Bombardier, Inc., Airplanes

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final rule.

SUMMARY: The FAA is adopting a new airworthiness directive (AD) for certain Bombardier, Inc., Model BD-700-1A10 and BD-700-1A11 airplanes. This AD was prompted by a determination that the approach speed adders and landing distance factors must be corrected in the airplane flight manual (AFM) tables in the non-normal procedure for the SLAT FAIL (Caution) crew alerting system (CAS) message. This AD requires revising the existing AFM to provide the flightcrew with the correct approach speed adders and landing distance factors for the non-normal procedures for the SLAT FAIL (Caution) CAS message. The FAA is issuing this AD to address the unsafe condition on these products.

DATES: This AD is effective May 29, 2026.

The Director of the Federal Register approved the incorporation by reference of a certain publication listed in this AD as of May 29, 2026.

ADDRESSES:

AD Docket: You may examine the AD docket at regulations.gov under Docket No. FAA-2026-0727; or in person at Docket Operations between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The AD docket contains this final rule, the mandatory continuing airworthiness information (MCAI), any comments received, and other information. The address for Docket Operations is U.S. Department of Transportation, Docket Operations, M-30, West Building Ground Floor, Room W12-140, 1200 New Jersey Avenue SE, Washington, DC 20590.

Material Incorporated by Reference:

- For Transport Canada material identified in this AD, contact Transport Canada, Transport Canada National Aircraft Certification, 159 Cleopatra

Drive, Nepean, Ontario K1A 0N5, Canada; telephone 888-663-3639; email TC.AirworthinessDirectives-Consignesdenavigabilite.TC@tc.gc.ca. You may find this material on the Transport Canada website at tc.canada.ca/en/aviation.

• You may view this material at the FAA, Airworthiness Products Section, Operational Safety Branch, 2200 South 216th St., Des Moines, WA. For information on the availability of this material at the FAA, call 206-231-3195. It is also available at regulations.gov under Docket No. FAA-2026-0727.

FOR FURTHER INFORMATION CONTACT: John Massey, Aviation Safety Engineer, FAA, 1600 Stewart Avenue, Suite 410, Westbury, NY 11590; phone: 516-228-7300; email: 9-avs-nyaco-cos@faa.gov.

SUPPLEMENTARY INFORMATION:

Background

The FAA issued a notice of proposed rulemaking (NPRM) to amend 14 CFR part 39 by adding an AD that would apply to certain Bombardier, Inc., Model BD-700-1A10 and BD-700-1A11 airplanes. The NPRM was published in the **Federal Register** on January 27, 2026 (91 FR 3397). The NPRM was prompted by AD CF-2025-53, dated November 11, 2025 (Transport Canada AD CF-2025-53) (also referred to as the MCAI), issued by Transport Canada, which is the aviation authority for Canada. The MCAI states that Bombardier has determined that the approach speed adders and landing

distance factors in the AFM tables in the non-normal procedure for the SLAT FAIL (Caution) CAS message require correction. If not addressed, the incorrect approach speed adders for the SLAT FAIL (Caution) non-normal procedure could result in a reduced maneuvering margin to stick shaker activation, failing to provide the margins assumed during the airplane's initial certification. This condition may adversely affect the safe operation of the airplane and increase flightcrew workload due to an unexpected stall warning and stick shaker activation.

In the NPRM, the FAA proposed to require revising the existing AFM to provide the flightcrew with the correct approach speed adders and landing distance factors for the non-normal procedures for the SLAT FAIL (Caution) CAS message, as specified in Transport Canada AD CF-2025-53. The FAA is issuing this AD to address the unsafe condition on these products.

You may examine the MCAI in the AD docket at regulations.gov under Docket No. FAA-2026-0727.

Discussion of Final Airworthiness Directive

Comments

The FAA received comments from a commenter who supported the NPRM without change.

Conclusion

These products have been approved by the civil aviation authority of another

country and are approved for operation in the United States. Pursuant to the FAA's bilateral agreement with this State of Design Authority, that authority has notified the FAA of the unsafe condition described in the MCAI referenced above. The FAA reviewed the relevant data, considered any comments received, and determined that air safety requires adopting this AD as proposed. Accordingly, the FAA is issuing this AD to address the unsafe condition on these products. Except for minor editorial changes, this AD is adopted as proposed in the NPRM. None of the changes will increase the economic burden on any operator.

Material Incorporated by Reference Under 1 CFR Part 51

Transport Canada AD CF-2025-53 specifies procedures for revising the AFM to correct the approach speed adders and landing distance factors in the AFM tables in the non-normal procedures for the SLAT FAIL (Caution) CAS message. This material is reasonably available because the interested parties have access to it through their normal course of business or by the means identified in the **ADDRESSES** section.

Costs of Compliance

The FAA estimates that this AD affects 925 airplanes of U.S. registry. The FAA estimates the following costs to comply with this AD:

ESTIMATED COSTS FOR REQUIRED ACTIONS

Labor cost	Parts cost	Cost per product	Cost on U.S. operators
1 work-hour × \$85 per hour = \$85	\$0	\$85	\$78,625

Authority for This Rulemaking

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

The FAA is issuing this rulemaking under the authority described in Subtitle VII, Part A, Subpart III, Section 44701: General requirements. Under that section, Congress charges the FAA with promoting safe flight of civil aircraft in air commerce by prescribing regulations for practices, methods, and procedures the Administrator finds necessary for safety in air commerce.

This regulation is within the scope of that authority because it addresses an unsafe condition that is likely to exist or develop on products identified in this rulemaking action.

Regulatory Findings

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

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

(1) Is not a "significant regulatory action" under Executive Order 12866,

(2) Will not affect intrastate aviation in Alaska, and

(3) Will not have a significant economic impact, positive or negative, on a substantial number of small entities under the criteria of the Regulatory Flexibility Act.

List of Subjects in 14 CFR Part 39

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

The Amendment

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

PART 39—AIRWORTHINESS DIRECTIVES

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

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

§ 39.13 [Amended]

- 2. The FAA amends § 39.13 by adding the following new airworthiness directive:

2026–08–04 Bombardier, Inc.: Amendment 39–23312; Docket No. FAA–2026–0727; Project Identifier MCAI–2025–01659–T.

(a) Effective Date

This airworthiness directive (AD) is effective May 29, 2026.

(b) Affected ADs

None.

(c) Applicability

This AD applies to certain Bombardier, Inc., Model BD–700–1A10 and BD–700–1A11 airplanes, certificated in any category, as identified in Transport Canada AD CF–2025–53, dated November 11, 2025 (Transport Canada AD CF–2025–53) except serial number 9001.

(d) Subject

Air Transport Association (ATA) of America Code 27, Flight Controls.

(e) Unsafe Condition

This AD was prompted by a determination that the approach speed adders and landing distance factors must be corrected in the airplane flight manual (AFM) tables in the non-normal procedure for the SLAT FAIL (Caution) crew alerting system (CAS) message. The FAA is issuing this AD to correct the approach speed adders and landing distance factors for the SLAT FAIL (Caution) non-normal procedure. The unsafe condition, if not corrected, could lead to a reduced maneuvering margin to stick shaker (stall warning) activation, which could increase flightcrew workload due to an unexpected stall warning and could adversely affect the safe operation of the airplane.

(f) Compliance

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

(g) Requirements

Except as specified in paragraph (h) of this AD: Comply with all required actions and compliance times specified in, and in accordance with, Transport Canada AD CF–2025–53.

(h) Exceptions to Transport Canada AD CF–2025–53

(1) Where Transport Canada AD CF–2025–53 refers to its effective date, this AD requires using the effective date of this AD.

(2) Where paragraph B of Transport Canada AD CF–2025–53 specifies to “Advise all flight crews of the changes introduced by the approved Transport Canada AFM procedures

listed above and thereafter operate the aeroplane accordingly,” this AD does not require those actions as those actions are already required by existing FAA operating regulations (see 14 CFR 91.9, 91.505, and 121.137).

(i) Additional AD Provisions

The following provisions also apply to this AD:

(1) *Alternative Methods of Compliance (AMOCs):* The Manager, International Validation Branch, FAA, has the authority to approve AMOCs for this AD, if requested using the procedures found in 14 CFR 39.19. In accordance with 14 CFR 39.19, send your request to your principal inspector or responsible Flight Standards Office, as appropriate. If sending information directly to the manager of the International Validation Branch, send it to the attention of the person identified in paragraph (j) of this AD and email to: AMOC@faa.gov. Before using any approved AMOC, notify your appropriate principal inspector, or lacking a principal inspector, the manager of the responsible Flight Standards Office.

(2) *Contacting the Manufacturer:* For any requirement in this AD to obtain instructions from a manufacturer, the instructions must be accomplished using a method approved by the Manager, International Validation Branch, FAA; or Transport Canada; or Bombardier, Inc.’s Transport Canada Design Approval Organization (DAO). If approved by the DAO, the approval must include the DAO-authorized signature.

(j) Additional Information

For more information about this AD, contact John Massey, Aviation Safety Engineer, FAA, 1600 Stewart Avenue, Suite 410, Westbury, NY 11590; phone: 516–228–7300; email: 9-avs-nyaco-cos@faa.gov.

(k) Material Incorporated by Reference

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

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

(i) Transport Canada AD CF–2025–53, dated November 11, 2025.

(ii) [Reserved]

(3) For Transport Canada material identified in this AD, contact Transport Canada, Transport Canada National Aircraft Certification, 159 Cleopatra Drive, Nepean, Ontario K1A 0N5, Canada; telephone 888–663–3639; email TC.AirworthinessDirectives-Consignesdenavigabilite.TC@tc.gc.ca. You may find this material on the Transport Canada website at tc.canada.ca/en/aviation.

(4) You may view this material at the FAA, Airworthiness Products Section, Operational Safety Branch, 2200 South 216th St., Des Moines, WA. For information on the availability of this material at the FAA, call 206–231–3195.

(5) You may view this material at the National Archives and Records Administration (NARA). For information on the availability of this material at NARA, visit www.archives.gov/federal-register/cfr/ibr-locations or email fr.inspection@nara.gov.

Issued on April 13, 2026.

Steven W. Thompson,

Acting Deputy Director, Compliance & Airworthiness Division, Aircraft Certification Service.

[FR Doc. 2026–08032 Filed 4–23–26; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. FAA–2026–3862; Project Identifier MCAI–2026–00317–A; Amendment 39–23319; 2026–08–11]

RIN 2120–AA64

Airworthiness Directives; Pilatus Aircraft Ltd. Airplanes

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final rule; request for comments.

SUMMARY: The FAA is adopting a new airworthiness directive (AD) for certain Pilatus Aircraft Ltd. (Pilatus) Model PC–12/47G airplanes. This AD was prompted by a report that a brake shuttle valve (BSV) on a production airplane shuttled and isolated the brake line to the left-hand (LH) brake, which resulted in brake lockup. This AD requires replacement of the LH and right-hand (RH) brake pipe assemblies and also prohibits the installation of affected parts. The FAA is issuing this AD to address the unsafe condition on these products.

DATES: This AD is effective May 11, 2026.

The Director of the Federal Register approved the incorporation by reference of a certain publication listed in this AD as of May 11, 2026.

The FAA must receive comments on this AD by June 8, 2026.

ADDRESSES: You may send comments, using the procedures found in 14 CFR 11.43 and 11.45, by any of the following methods:

- *Federal eRulemaking Portal:* Go to regulations.gov. Follow the instructions for submitting comments.

- *Fax:* (202) 493–2251.

- *Mail:* U.S. Department of Transportation, Docket Operations, M–30, West Building Ground Floor, Room W12–140, 1200 New Jersey Avenue SE, Washington, DC 20590.

- *Hand Delivery:* Deliver to Mail address above between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

AD Docket: You may examine the AD docket at regulations.gov under Docket

No. FAA–2026–3862; or in person at Docket Operations between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The AD docket contains this final rule, the mandatory continuing airworthiness information (MCAI), any comments received, and other information. The street address for Docket Operations is listed above.

Material Incorporated by Reference:

- For European Union Aviation Safety Agency (EASA) material identified in this AD, contact EASA, Konrad-Adenauer-Ufer 3, 50668 Cologne, Germany; phone: +49 221 8999 000; email: ADs@easa.europa.eu; website: easa.europa.eu. You may find this material on the EASA website at ad.easa.europa.eu.

- You may view this material at the FAA, Airworthiness Products Section, Operational Safety Branch, 901 Locust, Kansas City, MO 64106. For information on the availability of this material at the FAA, call (817) 222–5110. It is also available at regulations.gov under Docket No. FAA–2026–3862.

FOR FURTHER INFORMATION CONTACT:

Doug Rudolph, Aviation Safety Engineer, FAA, 1600 Stewart Avenue, Suite 410, Westbury, NY 11590; phone: (816) 329–4059; email: doug.rudolph@faa.gov.

SUPPLEMENTARY INFORMATION:

Comments Invited

The FAA invites you to send any written data, views, or arguments about this final rule. Send your comments using a method listed under the **ADDRESSES** section. Include “Docket No. FAA–2026–3862; Project Identifier MCAI–2026–00317–A” at the beginning of your comments. The most helpful comments reference a specific portion of the final rule, explain the reason for any recommended change, and include supporting data. The FAA will consider all comments received by the closing date and may amend this final rule because of those comments.

Except for Confidential Business Information (CBI) as described in the following paragraph, and other information as described in 14 CFR 11.35, the FAA will post all comments received, without change, to regulations.gov, including any personal information you provide. The agency will also post a report summarizing each substantive verbal contact received about this final rule.

Confidential Business Information

CBI is commercial or financial information that is both customarily and actually treated as private by its owner. Under the Freedom of Information Act

(FOIA) (5 U.S.C. 552), CBI is exempt from public disclosure. If your comments responsive to this AD contain commercial or financial information that is customarily treated as private, that you actually treat as private, and that is relevant or responsive to this AD, it is important that you clearly designate the submitted comments as CBI. Please mark each page of your submission containing CBI as “PROPIN.” The FAA will treat such marked submissions as confidential under the FOIA, and they will not be placed in the public docket of this AD. Submissions containing CBI should be sent to Doug Rudolph, Aviation Safety Engineer, FAA, 1600 Stewart Avenue, Suite 410, Westbury, NY 11590. Any commentary that the FAA receives which is not specifically designated as CBI will be placed in the public docket for this rulemaking.

Background

EASA, which is the Technical Agent for the Member States of the European Union, has issued EASA Emergency AD 2026–0065–E, dated March 25, 2026 (EASA Emergency AD 2026–0065–E) (also referred to as the MCAI), to correct an unsafe condition on certain Pilatus Model PC–12/47G airplanes. The MCAI states that during production operations it was observed that the BSV, installed as a provision for a future emergency autoland system, had shuttled and isolated the brake line between the BSV and the LH brake, which resulted in LH brake lockup. This condition, if not corrected, could lead to unintended asymmetric wheel braking and reduced directional control of the airplane.

You may examine the MCAI in the AD docket at regulations.gov under Docket No. FAA–2026–3862.

Material Incorporated by Reference Under 1 CFR Part 51

The FAA reviewed EASA Emergency AD 2026–0065–E, which specifies procedures for the replacement of the LH and RH brake pipe assemblies and prohibits the installation of affected parts. This material is reasonably available because the interested parties have access to it through their normal course of business or by the means identified in the **ADDRESSES** section.

FAA’s Determination

These products have been approved by the civil aviation authority of another country and are approved for operation in the United States. Pursuant to the FAA’s bilateral agreement with this State of Design Authority, that authority has notified the FAA of the unsafe condition described in the MCAI referenced above. The FAA is issuing

this AD after determining that the unsafe condition described previously is likely to exist or develop on other products of the same type design.

AD Requirements

This AD requires accomplishing the actions specified in the material already described, except for any differences identified as exceptions in the regulatory text of this AD.

Explanation of Required Compliance Information

In the FAA’s ongoing efforts to improve the efficiency of the AD process, the FAA developed a process to use some civil aviation authority (CAA) ADs as the primary source of information for compliance with requirements for corresponding FAA ADs. The FAA has been coordinating this process with manufacturers and CAAs. As a result, EASA Emergency AD 2026–0065–E is incorporated by reference in this AD. This AD requires compliance with EASA Emergency AD 2026–0065–E in its entirety through that incorporation, except for any differences identified as exceptions in the regulatory text of this AD. Using common terms that are the same as the heading of a particular section in EASA Emergency AD 2026–0065–E does not mean that operators need comply only with that section. For example, where the AD requirement refers to “all required actions and compliance times,” compliance with this AD requirement is not limited to the section titled “Required Action(s) and Compliance Time(s)” in EASA Emergency AD 2026–0065–E. Material required by EASA Emergency AD 2026–0065–E for compliance will be available at regulations.gov under Docket No. FAA–2026–3862 after this AD is published.

Interim Action

The FAA considers this AD to be an interim action. If final action is later identified, the FAA might consider further rulemaking.

Justification for Immediate Adoption and Determination of the Effective Date

Section 553(b) of the Administrative Procedure Act (APA) (5 U.S.C. 551 *et seq.*) authorizes agencies to dispense with notice and comment procedures for rules when the agency, for “good cause,” finds that those procedures are “impracticable, unnecessary, or contrary to the public interest.” Under this section, an agency, upon finding good cause, may issue a final rule without providing notice and seeking comment prior to issuance. Further, section 553(d) of the APA authorizes agencies to

make rules effective in less than thirty days, upon a finding of good cause.

An unsafe condition exists that requires the immediate adoption of this AD without providing an opportunity for public comments prior to adoption. The FAA has found that the risk to the flying public justifies forgoing notice and comment prior to adoption of this rule because a BSV can shuttle and isolate the brake line, resulting in brake lockup. This could lead to unintended asymmetric braking during takeoff, aborted takeoff, or landing. Asymmetric braking during the takeoff roll could result in the airplane veering sharply to one side, preventing the airplane from accelerating correctly or maintaining the runway centerline. Similarly, during landing, asymmetric braking could

result in reduced directional control and prevent the airplane from maintaining the centerline. Failure to maintain the runway centerline increases the risk of a runway excursion, which can lead to loss of control, departure from the paved surface, and potential damage to the airplane and surrounding infrastructure, or injury to occupants. Additionally, the compliance time in this AD is shorter than the time necessary for the public to comment prior to publication of the final rule. Accordingly, notice and opportunity for prior public comment are impracticable and contrary to the public interest pursuant to 5 U.S.C. 553(b).

In addition, the FAA finds that good cause exists pursuant to 5 U.S.C. 553(d) for making this amendment effective in

less than 30 days, for the same reasons the FAA found good cause to forgo notice and comment.

Regulatory Flexibility Act

The requirements of the Regulatory Flexibility Act (RFA) do not apply when an agency finds good cause pursuant to 5 U.S.C. 553 to adopt a rule without prior notice and comment. Because the FAA has determined that it has good cause to adopt this rule without prior notice and comment, RFA analysis is not required.

Costs of Compliance

The FAA estimates that this AD affects 13 airplanes of U.S. registry. The FAA estimates the following costs to comply with this AD:

ESTIMATED COSTS				
Action	Labor cost	Parts cost	Cost per product	Cost on U.S. operators
Replace the LH and RH brake pipe assemblies.	3 work-hours × \$85 per hour = \$255	\$5,000	\$5,255	\$68,315

The FAA has included all known costs in its cost estimate. According to the manufacturer, however, some of the costs of this AD may be covered under warranty, thereby reducing the cost impact on affected operators.

Authority for This Rulemaking

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

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

Regulatory Findings

This AD will not have federalism implications under Executive Order 13132. This AD will not have a substantial direct effect on the States, on the relationship between the national government and the States, or on the

distribution of power and responsibilities among the various levels of government.

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

- (1) Is not a “significant regulatory action” under Executive Order 12866, and
- (2) Will not affect intrastate aviation in Alaska.

List of Subjects in 14 CFR Part 39

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

The Amendment

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

PART 39—AIRWORTHINESS DIRECTIVES

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

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

§ 39.13 [Amended]

- 2. The FAA amends § 39.13 by adding the following new airworthiness directive:

2026–08–11 Pilatus Aircraft Ltd.: Amendment 39–23319; Docket No. FAA–2026–3862; Project Identifier MCAI–2026–00317–A.

(a) Effective Date

This airworthiness directive (AD) is effective May 11, 2026.

(b) Affected ADs

None.

(c) Applicability

This AD applies to Pilatus Aircraft Ltd., Model PC–12/47G airplanes, certificated in any category, as identified in European Union Aviation Safety Agency (EASA) Emergency AD 2026–0065–E, dated March 25, 2026 (EASA Emergency AD 2026–0065–E).

(d) Subject

Joint Aircraft System Component (JASC) Code 3240, Landing Gear Brake System.

(e) Unsafe Condition

This AD was prompted by a report that a brake shuttle valve (BSV) on a production airplane shuttled and isolated the brake line to the left-hand (LH) brake, resulting in brake lockup. The FAA is issuing this AD to prevent unintended asymmetric wheel braking. The unsafe condition, if not addressed, could result in reduced directional control of the airplane.

(f) Compliance

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

(g) Required Actions

Except as specified in paragraphs (h) and (i) of this AD: Comply with all required actions and compliance times specified in, and in accordance with, EASA Emergency AD 2026–0065–E.

(h) Exceptions to EASA Emergency AD 2026–0065–E

(1) Where EASA Emergency AD 2026–0065–E refers to its effective date, this AD requires using the effective date of this AD.

(2) This AD does not adopt the “Remarks” section of EASA Emergency AD 2026–0065–E.

(i) No Reporting Requirement

Although the material referenced in EASA Emergency AD 2026–0065–E specifies to submit certain information to the manufacturer, this AD does not include that requirement.

(j) Alternative Methods of Compliance (AMOCs)

The Manager, International Validation Branch, FAA, has the authority to approve AMOCs for this AD, if requested using the procedures found in 14 CFR 39.19. In accordance with 14 CFR 39.19, send your request to your principal inspector or local Flight Standards District Office, as appropriate. If sending information directly to the manager of the International Validation Branch, send it to the attention of the person identified in paragraph (k) of this AD and email to AMOC@faa.gov. Before using any approved AMOC, notify your appropriate principal inspector, or lacking a principal inspector, the manager of the local flight standards district office/certificate holding district office.

(k) Additional Information

For more information about this AD, contact Doug Rudolph, Aviation Safety Engineer, FAA, 1600 Stewart Avenue, Suite 410, Westbury, NY 11590; phone: (816) 329–4059; email: doug.rudolph@faa.gov.

(l) Material Incorporated by Reference

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

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

(i) European Union Aviation Safety Agency (EASA) Emergency AD 2026–0065–E, dated March 25, 2026.

(ii) [Reserved]

(3) For EASA material identified in this AD, contact EASA, Konrad-Adenauer-Ufer 3, 50668 Cologne, Germany; phone: +49 221 8999 000; email: ADs@easa.europa.eu; website: easa.europa.eu. You may find this EASA AD on the EASA website at ad.easa.europa.eu.

(4) You may view this material at the FAA, Airworthiness Products Section, Operational Safety Branch, 901 Locust, Kansas City, MO 64106. For information on the availability of this material at the FAA, call (817) 222–5110.

(5) You may view this material at the National Archives and Records Administration (NARA). For information on the availability of this material at NARA, visit www.archives.gov/federal-register/cfr/ibr-locations or email fr.inspection@nara.gov.

Issued on April 16, 2026.

Steven W. Thompson,

Acting Deputy Director, Compliance & Airworthiness Division, Aircraft Certification Service.

[FR Doc. 2026–08022 Filed 4–23–26; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF TRANSPORTATION**Office of the Secretary****14 CFR Part 259**

[Docket No. DOT–OST–2026–1651]

RIN 2105–AE82

One-Page Document on Passenger Rights

AGENCY: Office of the Secretary, Office of the General Counsel, Office of Aviation Consumer Protection, Department of Transportation.

ACTION: Final rule.

SUMMARY: This final rule implements Section 429 of the FAA Reauthorization Act of 2018 by requiring covered air carriers to submit to the U.S. Department of Transportation (Department) a one-page document summarizing passenger rights regarding delays, diversions, cancellations, baggage, and boarding. To ensure transparency, carriers must post this summary in a prominent location on their websites within 90 days of submitting the plan to the Department. The obligation of carriers to submit and post the summary is contingent upon the Department’s completion of the Paperwork Reduction Act process.

DATES: This rule is effective May 26, 2026. However, compliance with the information collection requirements (*i.e.*, submitting and posting the summary) is not required until the Department publishes a subsequent notice in the **Federal Register** announcing Office of Management and Budget (OMB) approval of the information collection established in this final rule.

FOR FURTHER INFORMATION CONTACT:

Nicole Smith, Attorney-Advisor, Heather Filemyr, Attorney-Advisor, or Blane A. Workie, Assistant General Counsel, Office of Aviation Consumer Protection, U.S. Department of Transportation, 1200 New Jersey Avenue SE, Washington, DC 20590, 202–366–9342, 202–366–7152 (fax), nicole.smith@dot.gov, heather.filemyr@dot.gov, blane.workie@dot.gov (email).

SUPPLEMENTARY INFORMATION:**Background and Legal Authority**

On October 5, 2018, the FAA Reauthorization Act of 2018 (2018 FAA Act) was signed into law.¹ Section 429 of the 2018 FAA Act provides that the Secretary of Transportation (the Secretary) shall require covered air carriers to submit a summarized one-page document that describes the rights of passengers in air transportation (Passenger Rights Summary).² The Passenger Rights Summary must include “guidelines” for the following:

(1) Compensation (regarding rebooking options, refunds, meals, and lodging) for flight delays of various lengths. (2) Compensation (regarding rebooking options, refunds, meals, and lodging) for flight diversions. (3) Compensation (regarding rebooking options, refunds, meals, and lodging) for flight cancellations. (4) Compensation for mishandled baggage, including delayed, damaged, pilfered, or lost baggage. (5) Voluntary relinquishment of a ticketed seat due to overbooking or priority of other passengers. (6) Involuntary denial of boarding and forced removal for whatever reason, including for safety and security reasons.

Section 429 of the 2018 FAA Act also requires that each covered air carrier make its Passenger Rights Summary available in a prominent location on its website within 90 days of submitting the plan to the Department. Section 401 of the 2018 FAA Act defines the term “covered air carrier” for its purposes as an air carrier or foreign air carrier as those terms are defined by 49 U.S.C. 40102.³ To implement this statutory requirement, this final rule creates a new section at 14 CFR 259.9 requiring covered air carriers to submit the Passenger Rights Summary as dictated by 49 U.S.C. 41727.

In implementing this requirement, covered air carriers should consider creating a “one-page” summary with a concise, user-friendly document designed for quick consumer reference. A Passenger Rights Summary that fulfills this expectation is typically a single-page document—or a digital equivalent such as a one-page PDF—

¹ Public Law 115–254.

² Initially, Section 429 of the 2018 FAA Act was codified in the notes preceding 49 U.S.C. 42301. On May 16, 2024, the FAA Reauthorization Act of 2024 (2024 FAA Act) was signed into law. Public Law 118–64. Section 510 of the 2024 FAA Act recodified the provision requiring the Passenger Rights Summary from the notes preceding 49 U.S.C. 42301 to 49 U.S.C. 41727.

³ “Air carrier” is defined as “a citizen of the United States undertaking by any means, directly or indirectly, to provide air transportation.” 49 U.S.C. 40102(a)(2). “Foreign air carrier” is defined as “a person, not a citizen of the United States, undertaking by any means, directly or indirectly, to provide foreign air transportation.” 49 U.S.C. 40102(a)(21).

presented in a clear and legible font. Covered air carriers should also consider making the summary available in a location that is highly visible and easily accessible to the public when complying with the requirement to post the summary in a “prominent location.”

Good Cause for Issuing Rule Without Prior Notice and Comment

Section 553 of the Administrative Procedure Act (5 U.S.C. 553) provides that when an agency, for good cause, finds that notice and public procedure are impractical, unnecessary, or contrary to the public interest, the agency may issue a final rule without providing notice and an opportunity for public comment (5 U.S.C. 553(b)(B)). The Department has determined that there is good cause to issue this final rule without notice and an opportunity for public comment because such notice and comment would be unnecessary.

This rule implements Section 429 of the 2018 FAA Act by incorporating the statutory language nearly verbatim. Because the Department has no discretion regarding the submission and posting of the summary, the categories of information required to be disclosed, or the entities covered, public comment would not alter the fundamental requirements of the rule.

To the extent the Department provides recommendations regarding the format of the one-page summary and prominent nature of its posting, these descriptions do not constitute new regulatory requirements. Rather, these statements are guidance to aid covered air carriers in complying with the plain meaning of the statutory text to provide a concise and accessible summary to the public. As this rule simply codifies a clear congressional directive into the Code of Federal Regulations, notice and comment are unnecessary.

I. Regulatory Notices

A. Executive Order 12866 (Regulatory Planning and Review) and the Department's Regulatory Procedures

The Office of Management and Budget (OMB) has not designated this rule a significant regulatory action under section 3(f) of Executive Order 12866. Accordingly, OMB has not reviewed it. In addition, this rule is not significant under the Department's Regulatory Policies and Procedures (49 CFR part 5 and DOT Order 2100.6B). This rule implements the statutory requirement that covered air carriers submit a Passenger Rights Summary to the Department and post it on their respective websites. The economic

analysis of this final rule is discussed in this section.

The Department anticipates that the economic impact of this rule will be minimal, as the costs and benefits are dictated entirely by the statutory requirements set forth in Section 429 of the 2018 FAA Act. Because the Department is implementing the law exactly as written and providing only ministerial clarifications to facilitate compliance with the statutory text, the primary impact on covered air carriers is the administrative task of summarizing and distributing information. For those carriers that are required to submit customer service plans under 14 CFR 259.5, much of the information required for this one-page summary is already captured in the carriers' existing plans. Because those airlines are already required to maintain these policies, they do not need to develop new procedures or compensation structures to comply with this rule. The Department offers format examples for illustrative purposes only. Covered carriers retain discretion to determine the specific layout of the one-page summary and the method of prominent posting consistent with the statute. The Department expects that many carriers subject to this statutory requirement who are not required to submit customer service plans likely already have internal guidelines for compensation, overbooking, and denied boarding as part of their business operations.

The scope of work for carriers is limited to pulling that existing data into a concise, one-page format and submitting it to the Department as required by Section 429 of the 2018 FAA Act. Following this submission, carriers must ensure the document is posted in a prominent location on their websites within 90 days. This submission and publication process is a direct result of the statutory mandate and provides the Department with an opportunity to verify that the summaries align with the requirements for transparency regarding passenger rights. Ultimately, this rule creates little to no additional burden beyond reformatting and uploading existing policy information.

B. Executive Order 14192 (Unleashing Prosperity Through Deregulation)

This rule is not an Executive Order 14192 regulatory action because this rule is not significant under Executive Order 12866.

C. Executive Order 13132 (Federalism)

This final rule has been analyzed in accordance with the principles and

criteria contained in Executive Order 13132 (Federalism). This final rule does not impose any requirement that: (1) has substantial direct effects on the States, the relationship between the national government and the States, or the distribution of power and responsibilities among the various levels of government, (2) imposes substantial direct compliance costs on State and local governments, or (3) preempts State law. States are already preempted from regulating in this area by the Airline Deregulation Act, 49 U.S.C. 41713. Therefore, the consultation and funding requirements of Executive Order 13132 do not apply.

D. Executive Order 13175

This rule has been analyzed in accordance with the principles and criteria contained in Executive Order 13175 (Consultation and Coordination with Indian Tribal Governments). Because the requirements of this final rule do not significantly or uniquely affect the communities of the Indian tribal governments or impose substantial direct compliance costs on them, the funding and consultation requirements of Executive Order 13175 do not apply.

E. Regulatory Flexibility Act

The Regulatory Flexibility Act of 1980 (RFA) (5 U.S.C. 601, *et seq.*) requires Federal agencies to review and assess the impact on small entities of any regulation required by 5 U.S.C. 553 or any other law to be published as a proposed rule for public comment prior to issuance of a final rule. Because no notice of proposed rulemaking is required for this rule under the Administrative Procedure Act (5 U.S.C. 553) or any other law, the analytical provisions of the RFA do not apply.

F. Paperwork Reduction Act

This final rule contains “collections of information” as defined by the Paperwork Reduction Act (44 U.S.C. 3501, *et seq.*) (PRA). Specifically, it establishes two new information collection requirements: (1) the submission of a Passenger Rights Summary to the Department; and (2) the subsequent posting of that summary on carriers' websites. The Department has not yet obtained an OMB Control Number for these information collection requirements.

Under the PRA, no person is required to respond to a collection of information unless it displays a valid OMB control number. Consequently, carriers are not required to submit their Passenger Rights Summary until the Department publishes a separate notice announcing

OMB approval and providing specific submission instructions. For clarity, the 90-day statutory clock for website publication described in 14 CFR 259.9(c) and 49 U.S.C. 41727 begins only after a carrier has submitted its summary to the Department. The Department will not begin accepting these submissions until the PRA process is finalized. The Department will provide clear instructions to carriers on the submission method and the 90-day publication window in a subsequent notice.

G. Unfunded Mandates Reform Act

The Unfunded Mandates Reform Act of 1995 (UMRA) at 2 U.S.C. 1532 requires that agencies prepare an assessment of anticipated costs and benefits before issuing any rule that may result in the expenditure by State, local, and tribal governments, in the aggregate, or by the private sector, of \$100 million or more (adjusted annually for inflation) in any one year. As described elsewhere in the preamble, this final rule would have no such effect on State, local, and tribal governments or on the private sector. Therefore, the Department has determined that no assessment is required pursuant to UMRA.

H. National Environmental Policy Act

The Department has analyzed the environmental impacts of this final rule pursuant to the National Environmental Policy Act of 1969⁴ and has determined that it is categorically excluded pursuant to DOT Order 5610.1D, Procedures for Considering Environmental Impacts, because this rule falls under the categorical exclusion for “[a]ctions relating to consumer protection, including regulations.”⁵ The Department does not anticipate any environmental impacts, and there are no extraordinary circumstances present in connection with this rulemaking.

List of Subjects in 14 CFR Part 259

Air carriers, Aviation safety, Consumer protection, Reporting and recordkeeping requirements, Transportation.

For the reasons stated in the preamble, the U.S. Department of Transportation amends 14 CFR part 259 as follows:

PART 259—ENHANCED PROTECTIONS FOR AIRLINE PASSENGERS

- 1. The authority citation for part 259 is revised to read as follows:

Authority: 49 U.S.C. 40101(a)(4), 40101(a)(9), 40113(a), 41702, 41708, 41712, 41727, 42301, and 42305.

- 2. Add § 259.9 to read as follows:

§ 259.9 One-page Passenger Rights Summary.

(a) *Submission requirement.* Each covered air carrier shall submit to the Department of Transportation a one-page summary document that describes the rights of air passengers in air transportation (Passenger Rights Summary).

(b) *Content.* The Passenger Rights Summary described in paragraph (a) of this section shall include guidelines for the following:

(1) Compensation (regarding rebooking options, refunds, meals, and lodging) for flight delays of various lengths;

(2) Compensation (regarding rebooking options, refunds, meals, and lodging) for flight diversions;

(3) Compensation (regarding rebooking options, refunds, meals, and lodging) for flight cancellations;

(4) Compensation for mishandled baggage, including delayed, damaged, pilfered, or lost baggage;

(5) Voluntary relinquishment of a ticketed seat due to overbooking or priority of other passengers; and

(6) Involuntary denial of boarding and forced removal for whatever reason, including for safety and security reasons.

(c) *website publication.* Not later than 90 days after a covered air carrier submits the Passenger Rights Summary described in paragraph (a) of this section, the covered air carrier shall make the Passenger Rights Summary available in a prominent location on its website.

(d) *Definition.* For the purposes of this section, the term *covered air carrier* means an air carrier or a foreign air carrier as those terms are defined by 49 U.S.C. 40102.

Signed in Washington, DC.

Gregory Zerzan,
General Counsel.

[FR Doc. 2026–08103 Filed 4–23–26; 8:45 am]

BILLING CODE 4910–9X–P

DEPARTMENT OF COMMERCE

National Institute of Standards and Technology

15 CFR Part 255

[Docket No. 260415–0103]

RIN 0693–AB74

Eliminating Regulations Establishing Fellowships in Laboratory Standardization and Testing for Foreign Citizens

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

ACTION: Final rule.

SUMMARY: By this rule, NIST removes its regulations establishing fellowships in laboratory standardization and testing for foreign citizens of “other American republics.” This action is necessary because no statute specifically requires or contemplates the promulgation of these regulations and because there has not been any active program under these regulations in decades. The removal of these regulations will streamline the Code of Federal Regulations, thereby promoting administrative simplicity and efficiency, and also reprioritize U.S. interests.

DATES: The rule is effective April 24, 2026.

FOR FURTHER INFORMATION CONTACT: Daniel Sweeney, Senior Counsel, Office of the General Counsel, at (202) 482–1395.

SUPPLEMENTARY INFORMATION: This action eliminates NIST’s regulations at 15 CFR part 255, titled “Fellowships in Laboratory Standardization and Testing for Qualified Citizens of Other American Republics.” These regulations were originally promulgated by final rule on December 28, 1948 (13 FR 8374), pursuant to section 1 of 53 Stat. 1290, a statutory provision enacted on August 9, 1939. That statutory provision authorized the President to “utilize the services of the departments, agencies, and independent establishments of the Government in carrying out the reciprocal undertakings and cooperative purposes enunciated in the treaties, resolutions, declarations, and recommendations signed by all of the twenty-one American republics at the Inter-American Conference for the Maintenance of Peace held at Buenos Aires, Argentina, in 1936, and at the Eighth International Conference of American States held at Lima, Peru, in 1938.” Sec. 1, 53 Stat. 1290; *see also* 22 U.S.C. 501. The purpose of the

⁴ 42 U.S.C. 4321, *et seq.*

⁵ Available at https://www.transportation.gov/sites/dot.gov/files/2025-07/DOT_Order_5610.1D_OST-P-250627-001_508_Compliant.pdf.

authorization, according to the statute, was to enable the President “to render closer and more effective the relationship between the American republics.” *Id.*

Upon review, the Department has determined that 15 CFR part 255 is now appropriate for removal. No statute specifically requires or contemplates the promulgation of the regulations at part 255, and the policy considerations that drove such promulgation in 1948 are, at the very least, dated. Indeed, there has not been an active program under part 255 in decades. Moreover, the removal of part 255 is consistent with the Department’s broader efforts to streamline its body of regulations and to re-emphasize and -prioritize U.S. interests.

Regulatory Classifications

A. Administrative Procedure Act

Pursuant to 5 U.S.C. 553(b)(B), the Department finds good cause to waive the prior notice and opportunity for public participation requirements of the Administrative Procedure Act for this final rule. The Department considers this rule to be uncontroversial, and has determined that prior notice and opportunity for public participation is unnecessary, because this rule only removes dated regulatory language that is neither specifically required nor specifically authorized by any statute. Moreover, there is no active program under part 255 that will be affected by this removal, as there has not been an active program under part 255 for decades. For the same reasons, the Department has determined that delaying the effectiveness of this elimination would be contrary to the public interest; eliminating part 255 will simplify and streamline the Department’s body of regulations, thereby promoting accessibility and efficiency, and will help ensure statutory conformity. The Department thus finds good cause to waive the public notice and comment period under 553(b)(B) and to waive the 30-day delay in effectiveness under 553(d).

B. Executive Orders 12866, 14192, and 13132

The Office of Management and Budget has determined this rule is not significant pursuant to Executive Order (E.O.) 12866. This rule is an E.O. 14192 deregulatory action. This rule does not contain policies having federalism implications as the term is defined in E.O. 13132.

C. Regulatory Flexibility Act

Because a notice of proposed rulemaking and an opportunity for public participation are not required to be given for this rule by 5 U.S.C. 553(b)(B), the analytical requirements of the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*) are not applicable. Accordingly, no regulatory flexibility analysis is required, and none has been prepared.

D. Paperwork Reduction Act

This rule will not impose additional reporting or recordkeeping requirements under the Paperwork Reduction Act of 1995, 44 U.S.C. 3501, *et seq.*

List of Subjects for 15 CFR Part 255

Administrative practice and procedure, Fellowships, Foreign relations, Laboratories, Measurement standards, Research, Technical assistance.

Alicia Chambers,

NIST Executive Secretariat.

PART 255—[REMOVED AND RESERVED]

■ Accordingly, for the reasons set forth above and under the authority of 15 U.S.C. 277 and 5 U.S.C 301, part 255 of title 15 of the Code of Federal Regulations is removed and reserved.

[FR Doc. 2026–08018 Filed 4–23–26; 8:45 am]

BILLING CODE 3510–10–P

DEPARTMENT OF JUSTICE

Drug Enforcement Administration

21 CFR Part 1308

[Docket No. DEA–1356]

Schedules of Controlled Substances: Placement of MDMB-4en-PINACA in Schedule I

AGENCY: Drug Enforcement Administration, Department of Justice.
ACTION: Final rule.

SUMMARY: With the issuance of this final rule, the Drug Enforcement Administration places methyl 3,3-dimethyl-2-(1-(pent-4-en-1-yl)-1H-indazole-3-carboxamido)butanoate (other name: MDMB-4en-PINACA), including its salts, isomers, and salts of isomers whenever the existence of such salts, isomers, and salts of isomers is possible, in schedule I of the Controlled Substances Act. This action is being taken, in part, to enable the United States to meet its obligations under the 1971 Convention on Psychotropic

Substances. This action imposes regulatory controls and administrative, civil, and criminal sanctions applicable to schedule I controlled substances on persons who handle (manufacture, distribute, reverse distribute, import, export, engage in research, conduct instructional activities or chemical analysis with, or possess) or propose to handle MDMB-4en-PINACA.

DATES: Effective April 27, 2026.

FOR FURTHER INFORMATION CONTACT: Dr. Terrence L. Boos, Drug and Chemical Evaluation Section, Diversion Control Division, Drug Enforcement Administration; Telephone: (571) 362–3249.

SUPPLEMENTARY INFORMATION: In this final rule, the Drug Enforcement Administration (DEA) permanently places MDMB-4en-PINACA and its salts, isomers, and salts of isomers, whenever the existence of such salts, isomers, and salts of isomers is possible within the specific chemical designation, in schedule I of the Controlled Substances Act (CSA).

Legal Authority

The United States is a party to the 1971 United Nations Convention on Psychotropic Substances (1971 Convention), Feb. 21, 1971, 32 U.S.T. 543, 1019 U.N.T.S. 175, as amended. Procedures respecting changes in drug schedules under the 1971 Convention are governed domestically by 21 U.S.C. 811(d)(2)–(4). When the United States receives notification of a scheduling decision pursuant to Article 2 of the 1971 Convention indicating that a drug or other substance has been added to a schedule specified in the notification, the Secretary of Health and Human Services (Secretary),¹ after consultation with the Attorney General, shall first determine whether existing legal controls under subchapter I of the CSA and the Federal Food, Drug, and Cosmetic Act meet the requirements of the schedule specified in the notification with respect to the specific drug or substance.² In the event that the Secretary did not so consult with the Attorney General, and the Attorney General did not issue a temporary order, as provided under 21 U.S.C. 811(d)(4), the procedures for permanent

¹ As discussed in a memorandum of understanding entered into by the FDA and the National Institute on Drug Abuse (NIDA), FDA acts as the lead agency within HHS in carrying out the Secretary’s scheduling responsibilities under the CSA, with the concurrence of NIDA. 50 FR 9518 (Mar. 8, 1985). The Secretary has delegated to the Assistant Secretary for Health of HHS the authority to make domestic drug scheduling recommendations. 58 FR 35460 (July 1, 1993).

² 21 U.S.C. 811(d)(3).

scheduling set forth in 21 U.S.C. 811(a) and (b) control.

Pursuant to 21 U.S.C. 811(a)(1) and (2), the Attorney General (as delegated to the Administrator of the DEA pursuant to 28 CFR 0.100) may, by rule, and upon the recommendation of the Secretary, add to such a schedule or transfer between such schedules any drug or other substance, if she finds that such drug or other substance has a potential for abuse, and makes with respect to such drug or other substance the findings prescribed by 21 U.S.C. 812(b) for the schedule in which such drug or other substance is to be placed.

Background

The neurochemical effects of MDMB-4en-PINACA occur primarily through cannabinoid receptor systems in the brain. MDMB-4en-PINACA binds to cannabinoid subtype 1 (CB1) receptors, functions as a full agonist, and has a binding affinity and functional activity profile that is similar to that of other schedule I cannabinoids, including Δ9-THC, JWH-018, XLR11, and AKB-48. On June 10, 2021, the Secretary-General of the United Nations advised the Secretary of State of the United States that the Commission on Narcotic Drugs (CND) voted to place MDMB-4en-PINACA in Schedule II of the 1971 Convention during its 64th Session held on April 14, 2021.

As a signatory to this international treaty, the United States is required, by scheduling under the CSA, to place appropriate controls on MDMB-4en-PINACA to meet the minimum requirements of the treaty. Because the procedures in 21 U.S.C. 811(d)(3) and (4) for consultation and issuance of a temporary order, discussed in the above legal authority section, were not followed for MDMB-4en-PINACA, DEA is utilizing the procedures for permanent scheduling set forth in 21 U.S.C. 811(a) and (b) to control MDMB-4en-PINACA. Such scheduling would satisfy the United States' international obligations.

To meet the minimum requirements of this treaty and to confront this emerging substance, DEA published an order in the **Federal Register** on December 12, 2023, temporarily placing MDMB-4en-PINACA in schedule I of the CSA based upon a finding that this substance poses an imminent hazard to the public safety under 21 U.S.C. 811(h)(1).³ That temporary order was effective upon the date of publication.

On December 11, 2025, DEA published a temporary scheduling order to extend the temporary schedule I status of MDMB-4en-PINACA for one year, or until the permanent scheduling action for this substance is completed, whichever occurs first.⁴

DEA and HHS Eight-Factor Analyses

In a letter dated September 29, 2023, in accordance with 21 U.S.C. 811(b), and in response to DEA's November 19, 2021 request, the Department of Health and Human Services (HHS) provided to DEA a scientific and medical evaluation and scheduling recommendation for MDMB-4en-PINACA. DEA reviewed the scientific and medical evaluation and scheduling recommendation for schedule I placement provided by HHS, and all other relevant data, pursuant to 21 U.S.C. 811(b) and (c), and conducted its own analysis under the eight factors stipulated in 21 U.S.C. 811(c). DEA found, under 21 U.S.C. 811(b)(1), that MDMB-4en-PINACA warrants control in schedule I. Both the DEA and HHS's Eight-Factor Analyses are available in their entirety under the tab Supporting Documents of the public docket for this action at <https://www.regulations.gov> under docket number DEA-1356.

Notice of Proposed Rulemaking To Schedule MDMB-4en-PINACA

On October 2, 2025, DEA published a notice of proposed rulemaking (NPRM) to permanently control MDMB-4en-PINACA in schedule I.⁵ Specifically, DEA proposed to add MDMB-4en-PINACA to the list of hallucinogenic substances under 21 CFR 1308.11(d). The NPRM provided an opportunity for interested persons to file a request for hearing in accordance with DEA regulations on or before November 3, 2025. DEA did not receive any requests for a hearing. The NPRM also provided an opportunity for interested persons to submit comments on or before November 3, 2025.

Comments Received

DEA received 50 comments in response to the NPRM for the placement of MDMB-4en-PINACA into schedule I of the CSA. As described in detail below, comments were organized into the following general categories: (1) Support of the rule; (2) Opposition to the rule; (3) Mixed support and opposition to the rule; (4) Request for

additional information; (5) Procedural deficiencies; and (6) Responses that were not related to this rulemaking.

Comments in support of the rulemaking: Thirty-seven comments were in support of the rulemaking. Supporting responses commonly noted the severe adverse effects following the ingestion of MDMB-4en-PINACA, the link to toxicity and deaths reported following its use, the concern about the drugs availability in the community, the access to the drug by children, its high potential for abuse, and the lack of accepted medical use.

DEA Response: DEA appreciates the comments in support of this rulemaking.

Comments in opposition to the rulemaking: Three comments were in opposition to the rulemaking. Two commenters felt that placing MDMB-4en-PINACA in schedule I would inhibit research on this substance. The third commenter only noted their opposition to the rule with no additional detail.

DEA Response: DEA appreciates these comments and would like to provide further clarification regarding the control of MDMB-4en-PINACA. MDMB-4en-PINACA has been placed under international control. To comply with treaty obligations, DEA must place MDMB-4en-PINACA under the most appropriate schedule, taking into consideration all appropriate scientific data. Additionally, as set forth in the NPRM, MDMB-4en-PINACA has no currently accepted medical use in treatment in the United States, nor were there any approved New Drug Applications. Therefore, MDMB-4en-PINACA must be placed in schedule I of the CSA along with other substances which have no currently accepted medical use, lack accepted safety for use under medical supervision, and possess a high potential for abuse. With respect to research for potential medical use, the placement of substances in schedule I of the CSA does not preclude bona fide research on these substances.⁶ DEA registrants wishing to conduct research on schedule I substances may apply for permission to do so through the schedule I researcher registration program.^{7,8}

Comments showing mixed support and opposition to the rulemaking: Six comments showed mixed support and opposition to the rulemaking. Five of the comments were similar in nature,

³ Schedules of Controlled Substances: Temporary Placement of MDMB-4en-PINACA, 4F-MDMB-BUTICA, ADB-4en-PINACA, CUMYL-PEGACLONE, 5F-EDMB-PICA, and MMB-FUBICA into Schedule I, 88 FR 86040 (Dec. 12, 2023).

⁴ Schedules of Controlled Substances: Extension of Temporary Placement of MDMB-4en-PINACA in Schedule I of the Controlled Substances Act, 90 FR 57356 (Dec. 11, 2025).

⁵ Schedules of Controlled Substances: Placement of MDMB-4en-PINACA in Schedule I, 90 FR 47663 (Oct. 2, 2025).

⁶ 21 U.S.C. 823(g)(2)(A).

⁷ <https://apps.deadiversion.usdoj.gov/webforms2/spring/login?execution=e1s1>.

⁸ 21 U.S.C. 822(h); 21 U.S.C. 823(g); 21 U.S.C. 823(n).

wherein support was noted due to the serious harmful effects of MDMA-4en-PINACA. In opposition, these five comments noted their concern regarding placement of MDMA-4en-PINACA in schedule I could hinder further research. The sixth comment noted that there “was minimum research on MDMA-4en-PINACA to confirm the potential negative effects of its consumption.”

DEA Response: As discussed previously, DEA appreciates the comments regarding the serious adverse effects that were described in both the HHS and DEA Eight-Factor Analyses on MDMA-4en-PINACA. DEA noted in the second response above that the placement of MDMA-4en-PINACA in schedule I of the CSA does not preclude bona fide research on this substance. As noted above, a schedule I researcher registration program exists for researchers to continue to conduct research on MDMA-4en-PINACA in compliance with the CSA.⁹ The CSA as well as the corresponding regulations provide opportunities for scientific and medical research for all controlled substances while simultaneously mitigating the risk of diversion and potential for public harm.¹⁰ In reference to the sixth comment, DEA notes that research has demonstrated the binding and functional activity of MDMA-4en-PINACA, as well as results from drug discrimination studies. Multiple case reports, including fatal intoxications following the ingestion of MDMA-4en-PINACA, have demonstrated the dangerous effects of this substance, which supports its placement in schedule I of the CSA.

Comment requesting additional information: One commenter requested additional information on why this rulemaking was proposed.

DEA Response: As described within DEA’s Eight-Factor Analysis, on June 10, 2021, the Secretary-General of the United Nations advised the Secretary of State of the United States that, during its 64th Session on April 14, 2021, the CND voted to place MDMA-4en-PINACA in Schedule II of the 1971 Convention. As a signatory to this international treaty, the United States is required, by scheduling under the CSA, to place appropriate controls on MDMA-4en-PINACA to meet the minimum requirements of the treaty. In addition, this substance has shown to be a threat to public health and safety due to the serious adverse effects and fatalities

described within the supporting material. For these reasons, MDMA-4en-PINACA was placed in schedule I of the CSA.

Comment raising procedural requests:

One comment was received from a public advocacy group with an accompanying attachment, which raised four primary issues and made several requests. First, the commenter claimed that DEA “did not identify or estimate the number of small entities directly regulated, describe the compliance requirements for those entities, or explain why the impacts are not significant,” and requested that DEA either (1) withdraw its Regulatory Flexibility Act (RFA) certification and publish an Initial Regulatory Flexibility Analysis, or (2) “reopen the record for 30 days” to receive small-entity impact data and consider reasonable accommodations. Second, the commenter claims that any invocation of good cause under 5 U.S.C. 553(d)(3) “to waive the 30-day delayed effective date” is “inadequate” because “[t]he timing of permanent scheduling is foreseeable” and “avoiding a gap after a temporary order expires is not good cause where the agency had ample time to plan.” Third, the commenter stated, in reference to the Paperwork Reduction Act and Executive Order (E.O.) 12866, that “DEA should confirm in the record that this rule does not create any new information collection requirements and identify the relevant Office of Management and Budget (OMB) control numbers that will cover compliance activities related to MDMA-4en-PINACA.” Lastly, the commenter requested that “DEA should clarify in the docket its E.O. 12866 significance determination and whether OIRA reviewed the action.”¹¹

DEA Response: Regarding the first issue, DEA certified in the NPRM that the proposed rule would not have a significant economic impact on a substantial number of small entities and provided the factual basis for that certification. To begin, DEA identified the types of entities that would be affected by the proposed rule and determined the North American Industry Classification System industries that best represent those business activities. To determine whether a substantial number of small entities are affected in any of the industries, DEA also relied on data from the Statistics of U.S. Businesses to

determine the number of firms and small firms for each of the affected industries, and it then compared the number of affected small entities to the number of small entities for each industry. Further, based on the American Chemical Society’s SciFinder database, DEA identified one entity supplying MDMA-4en-PINACA across the relevant industries, and that entity was already registered with DEA to handle controlled substances. Finally, because MDMA-4en-PINACA is not approved for medical use and has a substantial capability to be a hazard to the health of the user and to the safety of the community, DEA expected that the number of researchers working with MDMA-4en-PINACA would be small, and that the researchers working with MDMA-4en-PINACA may also work with other controlled substances; therefore, researchers are likely already registered with DEA and are qualified to handle controlled substances.¹²

Regarding the second issue, DEA finds that there is good cause under 5 U.S.C. 553(d)(3) for this scheduling action to be immediately effective upon publication because a delay in the effective date is unnecessary and contrary to the public interest. The reasons in support of DEA’s good-cause finding are set forth below.

Regarding the third issue, DEA stated in the NPRM that the “proposed rule would not impose a new collection or modify an existing collection of information under the Paperwork Reduction Act of 1995,” and that the “proposed rule would not impose new or modify existing recordkeeping or reporting requirements on state or local governments, individuals, businesses, or organizations.”¹³ Because any collection of information requirements have been in place since the DEA temporarily scheduled MDMA-4en-PINACA, and the permanent scheduling of MDMA-4en-PINACA does not create any additional collection requirements, DEA asserts that its statement regarding information collection in the NPRM is supported. DEA also stated in the NPRM that the proposed rule would require compliance with the following existing OMB collections: 1117–0003, 1117–0004, 1117–0006, 1117–0008, 1117–0009, 1117–0010, 1117–0012, 1117–0014, 1117–0021, 1117–0023, 1117–0029, and 1117–0056.¹⁴ Like the NPRM, this final rule provides that same below.

⁹ <https://apps.deadiversion.usdoj.gov/webforms2/spring/login?execution=e1s1>.

¹⁰ 21 U.S.C. 822(h); 21 U.S.C. 823(g); 21 U.S.C. 823(n).

¹¹ The attachment to the comment that DEA received included the acronym “OIRA” with no further explanation or discussion. DEA assumes that the commenter meant to reference the Office of Information and Regulatory Affairs, which is within OMB.

¹² See *Schedules of Controlled Substances: Placement of MDMA-4en-PINACA in Schedule I*, 90 FR 47663, 47668–47669 (Oct. 2, 2025).

¹³ *Id.* at 47669.

¹⁴ *Id.*

Finally, regarding the fourth issue, section 3(d) of E.O. 12866 provides the definition of a “regulation” or “rule” subject to E.O. 12866. As DEA stated in the NPRM, such actions are exempt from E.O. 12866 pursuant to section 3(d)(1) of E.O. 12866 because a proposed scheduling action under 21 U.S.C. 811(a) is subject to formal rulemaking procedures done “on the record after opportunity for a hearing,” which are conducted pursuant to the provisions of 5 U.S.C. 556 and 557.

Comments that were not related to this rulemaking: DEA received two comments that were neither explicitly for nor against the proposed rule. These two comments were not related to the current scheduling action. The first comment discussed oxycodone, while the second comment discussed marijuana.

DEA Response: These comments were outside the scope of the current scheduling action; therefore, these comments were not considered.

Scheduling Conclusion

After consideration of the public comment, scientific and medical evaluation and accompanying scheduling recommendation from HHS, and after its own eight-factor evaluation, DEA finds that these facts and all relevant data constitute substantial evidence of potential for abuse of MDMA-4en-PINACA. As such, DEA is permanently scheduling MDMA-4en-PINACA as a controlled substance under schedule I of the CSA. The permanent scheduling of MDMA-4en-PINACA fulfills the United States’ obligations as a party to the 1971 Convention.

Determination of Appropriate Schedule

The CSA establishes five schedules of controlled substances known as schedules I, II, III, IV, and V. The CSA also specifies the findings required to place a drug or other substance in any particular schedule, 21 U.S.C. 812(b). After consideration of the analysis and recommendation of the then Assistant Secretary for Health of HHS and review of all other available data, the Administrator of DEA, pursuant to 21 U.S.C. 812(b)(1), finds that:

(1) MDMA-4en-PINACA has a high potential for abuse that is comparable to other scheduled synthetic cannabinoids, such as JWH-018, XLR11, and ABKB-48. In vitro studies demonstrate that MDMA-4en-PINACA binds to CB1 receptors and functions as a full agonist. In drug discrimination studies conducted in animals to evaluate its discriminative stimulus effects, MDMA-4en-PINACA was shown to fully

substitute for the discriminative stimulus effects produced by delta 9-THC. In addition to the large numbers of law enforcement seizures of MDMA-4en-PINACA in various forms including as a powder, on plant material or in vaping devices, the ingestion of MDMA-4en-PINACA has been documented to result in serious adverse effects including agitation, psychosis including hallucinations and delusions, behavioral changes, seizures, brain injury, and death.

(2) MDMA-4en-PINACA has no currently accepted medical use in treatment in the United States. In HHS’s 2023 recommendation to control MDMA-4en-PINACA, it was noted there are no approved New Drug Applications for MDMA-4en-PINACA and no known therapeutic applications for MDMA-4en-PINACA in the United States. DEA is not aware of any other evidence suggesting that MDMA-4en-PINACA has a currently accepted medical use in treatment in the United States.¹⁵

(3) There is a lack of accepted safety for use of MDMA-4en-PINACA under

¹⁵ To place a drug or other substance in schedule I under the CSA, DEA must consider whether the substance has a currently accepted medical use in treatment in the United States. 21 U.S.C. 812(b)(1)(B). First, DEA looks to whether the drug or substance has FDA approval. When no FDA approval exists, DEA has traditionally applied a five-part test to a drug or substance that has not been approved by the FDA: (1) The drug’s chemistry must be known and reproducible; (2) there must be adequate safety studies; (3) there must be adequate and well-controlled studies proving efficacy; (4) the drug must be accepted by qualified experts; and (5) the scientific evidence must be widely available. See *Marijuana Scheduling Petition; Denial of Petition; Remand*, 57 FR 10499 (Mar. 26, 1992), pet. for rev. denied, *Alliance for Cannabis Therapeutics v. Drug Enforcement Admin.*, 15 F.3d 1131, 1135 (D.C. Cir. 1994). DEA and HHS applied the traditional five-part test for currently accepted medical use in this matter and concluded the test was not satisfied. In a recent published letter in a different context, HHS applied an additional two-part test to determine currently accepted medical use for substances that do not satisfy the five-part test: (1) whether there exists widespread, current experience with medical use of the substance by licensed health care practitioners operating in accordance with implemented jurisdiction-authorized programs, where medical use is recognized by entities that regulate the practice of medicine, and if so, (2) whether there exists some credible scientific support for at least one of the medical conditions for which part (1) is satisfied. On April 11, 2024, the Department of Justice’s Office of Legal Counsel (OLC) issued an opinion, which, among other things, concluded that HHS’s two-part test would be sufficient to establish that a drug has a currently accepted medical use. Office of Legal Counsel, Memorandum for Merrick B. Garland Attorney General Re: Questions Related to the Potential Rescheduling of Marijuana at 3 (April 11, 2024). For purposes of this final rule, there is no evidence that health care providers have widespread experience with medical use of MDMA-4en-PINACA, or that the use of MDMA-4en-PINACA is recognized by entities that regulate the practice of medicine, so the two-part test also is not satisfied.

medical supervision. Because MDMA-4en-PINACA has no approved medical use and has not been investigated as a new drug, its safety for use under medical supervision has not been determined.

Based on these findings, the Administrator of DEA concludes that MDMA-4en-PINACA, as well as its salts, isomers, and salts of isomers whenever the existence of such salts, isomers, and salts of isomers is possible, warrants control in schedule I of the CSA.

Requirements for Handling MDMA-4en-PINACA

MDMA-4en-PINACA is subject to the CSA’s schedule I regulatory controls and administrative, civil, and criminal sanctions applicable to the manufacture, distribution, reverse distribution, import, export, engagement in research, conduct instructional activities or chemical analysis with, and possession of schedule I controlled substances, including the following:

1. *Registration.* Any person who handles (manufactures, distributes, reverse distributes, imports, exports, engages in research, or conducts instructional activities or chemical analysis with, or possesses), or who desires to handle, MDMA-4en-PINACA must register with DEA to conduct such activities pursuant to 21 U.S.C. 822, 823, 957, and 958, and in accordance with 21 CFR parts 1301 and 1312. Retail sales of schedule I controlled substances to the general public are not allowed under the CSA. Possession of any quantity in a manner not authorized by the CSA is unlawful and those in possession of any quantity may be subject to prosecution pursuant to the CSA.

2. *Disposal of stocks.* Any person unwilling or unable to obtain a schedule I registration must surrender or transfer all quantities of currently held MDMA-4en-PINACA to a person registered with DEA before the effective date of the final scheduling action in accordance with all applicable Federal, State, local, and Tribal laws. MDMA-4en-PINACA must be disposed of in accordance with 21 CFR part 1317, in addition to all other applicable Federal, State, local, and Tribal laws.

3. *Security.* MDMA-4en-PINACA is subject to schedule I security requirements and must be handled and stored pursuant to 21 U.S.C. 823, and in accordance with 21 CFR 1301.71–1301.76. Non-practitioners handling MDMA-4en-PINACA must comply with the employee screening requirements of 21 CFR 1301.90 through 1301.93.

4. *Labeling and Packaging.* All labels, labeling, and packaging for commercial

containers of MDMA-4en-PINACA must comply with 21 U.S.C. 825 and be in accordance with 21 CFR part 1302.

5. *Quota.* Generally, only registered manufacturers are permitted to manufacture MDMA-4en-PINACA in accordance with a quota assigned pursuant to 21 U.S.C. 826, and in accordance with 21 CFR part 1303.

6. *Inventory.* Every DEA registrant who possesses any quantity of MDMA-4en-PINACA must take an inventory of MDMA-4en-PINACA on hand, pursuant to 21 U.S.C. 827 and in accordance with 21 CFR 1304.03, 1304.04, and 1304.11(a) and (d).

Any person who registers with DEA must take an initial inventory of all stocks of controlled substances (including MDMA-4en-PINACA) on hand on the date the registrant first engages in the handling of controlled substances, pursuant to 21 U.S.C. 827 and in accordance with 21 CFR 1304.03, 1304.04, and 1304.11(a) and (b).

After the initial inventory, every DEA registrant must take an inventory of all controlled substances (including MDMA-4en-PINACA) on hand every two years, pursuant to 21 U.S.C. 827 and in accordance with 21 CFR 1304.03, 1304.04, and 1304.11.

7. *Records and Reports.* Every DEA registrant must maintain records and submit reports for MDMA-4en-PINACA, or products containing MDMA-4en-PINACA, pursuant to 21 U.S.C. 827 and in accordance with 21 CFR 1301.74(b) and (c), 1301.76(b), and parts 1304, 1312 and 1317. Manufacturers and distributors must submit reports regarding MDMA-4en-PINACA to the Automation of Reports and Consolidated Order System pursuant to 21 U.S.C. 827 and in accordance with 21 CFR parts 1304 and 1312.

8. *Order Forms.* Every DEA registrant who distributes MDMA-4en-PINACA must comply with the order form requirements, pursuant to 21 U.S.C. 828 and 21 CFR part 1305.

9. *Importation and Exportation.* All importation and exportation of MDMA-4en-PINACA must comply with 21 U.S.C. 952, 953, 957, and 958, and in accordance with 21 CFR parts 1304 and 1312.

10. *Liability.* Any activity involving MDMA-4en-PINACA not authorized by, or in violation of, the CSA or its implementing regulations, is unlawful, and may subject the person to administrative, civil, and/or criminal sanctions.

Regulatory Analyses

Executive Orders 12866, 13563, 14192, and 14294

In accordance with 21 U.S.C. 811(a), this final scheduling action is subject to formal rulemaking procedures performed “on the record after opportunity for a hearing,” which are conducted pursuant to the provisions of 5 U.S.C. 556 and 557. The CSA sets forth the procedures and criteria for scheduling a drug or other substance. Such actions are exempt from review by the OMB pursuant to section 3(d)(1) of E.O. 12866 and the principles reaffirmed in E.O. 13563. DEA scheduling actions are not subject to either E.O. 14192, *Unleashing Prosperity Through Deregulation*, or E.O. 14294, *Overcriminalization in Federal Regulations*.

Executive Order 12988, Civil Justice Reform

This regulation meets the applicable standards set forth in sections 3(a) and 3(b)(2) of E.O. 12988 to eliminate drafting errors and ambiguity, minimize litigation, provide a clear legal standard for affected conduct, and promote simplification and burden reduction.

Executive Order 13132, Federalism

This rulemaking does not have federalism implications warranting the application of E.O. 13132. The rule does not have substantial direct effects on the states, on the relationship between the National Government and the States, or on the distribution of power and responsibilities among the various levels of government.

Executive Order 13175, Consultation and Coordination With Indian Tribal Governments

This rule does not have Tribal implications warranting the application of E.O. 13175. It 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.

Paperwork Reduction Act of 1995

This action does not impose a new collection or modify an existing collection of information under the Paperwork Reduction Act of 1995.¹⁶ Also, this rule does not impose new or modify existing recordkeeping or reporting requirements on state or local governments, individuals, businesses, or organizations. However, this rule would

require compliance with the following existing OMB collections: 1117–0003, 1117–0004, 1117–0006, 1117–0008, 1117–0009, 1117–0010, 1117–0012, 1117–0014, 1117–0021, 1117–0023, 1117–0029, and 1117–0056. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number.

Regulatory Flexibility Act

The Administrator of DEA, in accordance with the RFA, 5 U.S.C. 601–612, has reviewed this final rule, and by approving it, certifies that it will not have a significant economic impact on a substantial number of small entities.

DEA is placing the substance MDMA-4en-PINACA (chemical name: methyl 3,3-dimethyl-2-(1-(pent-4-en-1-yl)-1H-indazole-3-carboxamido)butanoate), including its salts, isomers, and salts of isomers, in schedule I of the CSA to enable the United States to meet its obligations under the 1971 Convention. This action imposes the regulatory controls and administrative, civil, and criminal sanctions applicable to schedule I controlled substances on persons who handle (manufacture, distribute, reverse distribute, import, export, engage in research, conduct instructional activities or chemical analysis with, or possess) or propose to handle MDMA-4en-PINACA.

Based on the review of HHS’s scientific and medical evaluation and all other relevant data, DEA determined that MDMA-4en-PINACA has high potential for abuse, has no currently accepted medical use in treatment in the United States, and lacks accepted safety for use under medical supervision. There appear to be no legitimate sources for MDMA-4en-PINACA as a marketed drug in the United States, but DEA notes that this substance is available for purchase from legitimate suppliers for scientific research. There is no evidence of significant diversion of MDMA-4en-PINACA from legitimate suppliers. Therefore, this final rule will not have a significant economic impact on a substantial number of small entities.

Unfunded Mandates Reform Act of 1995

In accordance with the Unfunded Mandates Reform Act (UMRA) of 1995, 2 U.S.C. 1532, DEA has determined that this action would not result in any Federal mandate that may result “in the expenditure by State, local, and Tribal governments, in the aggregate, or by the private sector, of \$100,000,000 or more (adjusted annually for inflation) in any 1 year. . . .” Therefore, neither a Small

¹⁶ 44 U.S.C. 3501–3521.

Government Agency Plan nor any other action is required under UMRA of 1995.

Congressional Review Act

The Office of Information and Regulatory Affairs has determined that this rule is not a major rule as defined by the Congressional Review Act (CRA), 5 U.S.C. 804. However, pursuant to the CRA, DEA is submitting a copy of this rule to both Houses of Congress and to the Comptroller General.

Determination To Make Rule Effective Immediately

The Administrative Procedure Act (APA) generally requires that rules enacted in accordance with the procedures of 5 U.S.C. 553 to be effective not less than 30 days after publication of the proposed rule. 5 U.S.C. 553(d). However, the APA provides three exceptions for when an agency may make a rule effective sooner than 30 days after publication,

including if the agency finds for good cause why the rule should be effective sooner and publishes those reasons with the rule. 5 U.S.C. 553(d)(3).

DEA finds that there is good cause for this scheduling action to be immediately effective upon publication because a delay in the effective date is unnecessary and contrary to the public interest. First, it is unnecessary because MDMA-4en-PINACA is currently listed in schedule I of the CSA under 21 U.S.C. 811(h).¹⁷ Second, as discussed in the temporary scheduling order and NPRM, MDMA-4en-PINACA poses imminent hazard to public safety. Therefore, DEA believes it is unnecessary and contrary to the public interest to delay the effectiveness of this final rule by 30 days.¹⁸

List of Subjects in 21 CFR Part 1308

Administrative practice and procedure, Drug traffic control,

Reporting and recordkeeping requirements.

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

PART 1308—SCHEDULES OF CONTROLLED SUBSTANCES

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

Authority: 21 U.S.C. 811, 812, 871(b), 956(b), unless otherwise noted.

■ 2. In § 1308.11:

■ a. Add paragraph (d)(110); and

■ b. Remove and reserve paragraph (h)(62).

The addition reads as follows:

§ 1308.11 Schedule I.

* * * * *

(d) * * *

* * * * *

(110) methyl 3,3-dimethyl-2-(1-(pent-4-en-1-yl)-1*H*-indazole-3-carboxamido)butanoate (other name: MDMA-4en-PINACA) 7090

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Signing Authority

This document of the Drug Enforcement Administration was signed on April 20, 2026, by Assistant Administrator Cheri Oz. That document with the original signature and date is maintained by DEA. For administrative purposes only, and in compliance with requirements of the Office of the Federal Register, the undersigned DEA Federal Register Liaison Officer has been authorized to sign and submit the document in electronic format for publication, as an official document of DEA. This administrative process in no way alters the legal effect of this document upon publication in the **Federal Register**.

Heather Achbach,

Federal Register Liaison Officer, Drug Enforcement Administration.

[FR Doc. 2026-08104 Filed 4-23-26; 8:45 am]

BILLING CODE 4410-09-P

DEPARTMENT OF LABOR

Occupational Safety and Health Administration

29 CFR Part 1952

Puerto Rico State Plan; Operational Status Agreement; Change in Level of Federal Enforcement: Private Sector Employment on Federal Properties and Marine Construction Conducted by Private Sector Employees

AGENCY: Occupational Safety and Health Administration (OSHA), Labor.

ACTION: Notification of revisions to the Puerto Rico State Plan's Operational Status Agreement (OSA) and change in level of federal enforcement.

SUMMARY: This document announces a new OSA between the Occupational Safety and Health Administration (OSHA) and the Puerto Rico State Plan, which specifies the areas of State Plan responsibility and delineates continuing federal responsibilities. This document further gives notice of OSHA's approval of a change to the Puerto Rico State Plan

reinstating federal OSHA enforcement authority over private-sector employment on federal properties and marine construction conducted by private sector employees.

DATES: Effective Date: April 24, 2026.

FOR FURTHER INFORMATION CONTACT:

For press inquiries: Francis Meilinger, Director, OSHA Office of Communications, U.S. Department of Labor; telephone: (202) 693-1999; email: meilinger.francis2@dol.gov.

For general and technical information: Arlene Williams, Acting Director, OSHA Directorate of Cooperative and State Programs, U.S. Department of Labor; telephone: (202) 693-2200; email: williams.arlene@dol.gov.

SUPPLEMENTARY INFORMATION:

I. Background

Section 18 of the Occupational Safety and Health Act of 1970 (the OSH Act), 29 U.S.C. 667, provides that States that wish to assume responsibility for developing and enforcing their own occupational safety and health standards may do so by submitting and

¹⁷ Schedules of Controlled Substances: Temporary Placement of MDMA-4en-PINACA, 4F-MDMB-BUTICA, ADB-4en-PINACA, CUMYL-PEGACLONE, 5F-EDMB-PICA, and MMB-FUBICA into Schedule I, 88 FR 86040 (Dec. 12, 2023); Schedules of Controlled Substances: Extension of Temporary Placement of MDMA-4en-PINACA in

Schedule I of the Controlled Substances Act, 90 FR 57356 (Dec. 11, 2025).

¹⁸ See, e.g., Schedules of Controlled Substances: Placement of beta-Hydroxythiofentanyl in Schedule I, 84 FR 20023, 20027 (May 8, 2019); Schedules of Controlled Substances: Placement of UR-144, XLR11, and AKB48 into Schedule I, 81 FR 29142,

29144 (May 11, 2016); accord Schedules of Controlled Substances: Placement of Seven Specific Fentanyl-Related Substances in Schedule I, 90 FR 44979 (Sept. 18, 2025); Schedules of Controlled Substances: Placement of Nine Specific Fentanyl-Related Substances in Schedule I, 88 FR 85104 (Dec. 7, 2023).

obtaining federal approval of a State Plan. State Plan approval occurs in stages that include initial approval under Section 18(c) of the Act and, ultimately, final approval under Section 18(e). In the interim, between initial approval and final approval, there is a period of concurrent federal/state jurisdiction within a state operating an approved plan.

Puerto Rico administers an OSHA-approved State Plan to develop and enforce occupational safety and health standards for public-sector and private-sector employers, pursuant to the provisions of Section 18 of the OSH Act. The Puerto Rico Occupational Safety and Health Administration (PR OSHA) was designated as the state agency responsible for administering the State Plan. PR OSHA is part of the Puerto Rico Department of Labor and Human Resources which is headed by Maria del Pilar Vélez Casanova. The Puerto Rico State Plan received initial federal OSHA approval as a developmental State Plan under Section 18(c) of the OSH Act on August 15, 1977 (42 FR 43628). Subsequently, on September 7, 1982, federal OSHA issued a Certification of Completion of Developmental Steps for the Puerto Rico State Plan (47 FR 39164).

Pursuant to Section 18(e) of the OSH Act, as implemented by 29 CFR 1954.3, OSHA and Puerto Rico entered into an initial OSA dated December 8, 1981 (47 FR 25323), whereby concurrent federal enforcement authority was suspended with regard to federal occupational safety and health standards in issues covered by the State Plan.

II. Notification of New Operational Status Agreement

On September 25, 2025, OSHA and the Puerto Rico Department of Labor and Human Resources signed a new OSA, replacing the previous one. The new OSA makes several changes to the respective coverage between federal OSHA and PR OSHA, as described below.

The revisions to the OSA were initially precipitated when, on April 4, 2025, Puerto Rico's Assistant Secretary of Labor, Nelvin Rodriguez-Sanchez, sent a letter to OSHA to state PR OSHA's belief that it lacks the occupational safety and health resources to provide coverage for private sector employees performing work in the following circumstances: on land, property, or space that the federal government owns or leases where federal employees are regularly present for the purpose of performing their official duties; at federal government-owned contractor-operated sites; on

federal property under construction; and marine construction performed by private sector employees. Under the existing OSA, federal OSHA only had coverage of enforcement related to contractors or sub-contractors on federal establishments when the State Plan could not obtain entry, and federal OSHA did not have coverage over marine construction conducted by private sector employers. In PR OSHA's letter, the State Plan requested a change in coverage and sought confirmation that federal OSHA will always provide coverage over private sector employees in both of these circumstances. After discussions between federal OSHA and the Puerto Rico State Plan on this issue, both agencies agreed that federal OSHA coverage of such private-sector employers on property owned or leased by the federal government in Puerto Rico and marine construction conducted by private sector employees was the best solution to ensure prompt and effective protection of these workers. Accordingly, notice is hereby given of this change in federal enforcement authority, and coverage is transferred from the Puerto Rico State Plan to federal OSHA. This change is memorialized in the 2025 OSA, which now states that federal OSHA has enforcement authority in these circumstances.

While reviewing the existing OSA in response to this coverage change request from the Puerto Rico State Plan, it was determined that several other revisions and clarifications to the OSA were also needed. First, it has long been the case that federal OSHA exercises enforcement authority over private sector employers within the secured borders of all U.S. military installations where access is controlled, and PR OSHA has enforcement authority over state and local government employers on such military installations. However, this division of coverage was not previously specified in the 1981 OSA. Accordingly, that provision was added to the 2025 OSA for thoroughness and clarity.

Second, the existing 1981 OSA did not have provisions reflecting coverage changes that occurred after it became effective, including that federal OSHA covers federal government employers, including the United States Postal Service (USPS), as well as contractors and contractor-operated facilities engaged in USPS mail operations, and that federal OSHA covers all working conditions of aircraft cabin crewmembers onboard aircraft in operation. Accordingly, provisions identifying both of those as subject to

federal OSHA coverage were also added to the 2025 OSA.

Third, the 1981 OSA contained several sections discussing aspects of the Puerto Rico State Plan un-related to the respective coverage between federal OSHA and PR OSHA, including, for example, OSHA's determination that the Puerto Rico State Plan had achieved operational status and various commitments that the State Plan made to continue as an operational State Plan moving forward. OSHA no longer includes this kind of information in more modern OSAs and instead focuses the content of the OSA on its stated purpose, *i.e.*, to set forth the scope of the exercise of federal authority by delineating areas of state versus federal responsibility. Accordingly, the 2025 OSA no longer contains sections discussing those aspects of the Puerto Rico State Plan that do not relate to the scope of federal coverage. However, the removal of those sections from the 2025 OSA does not change any of federal OSHA's determinations on the State Plan's operational status, nor the State Plan's ongoing obligations.

Fourth, the 1981 OSA had a provision noting that federal OSHA would retain coverage over any open cases remaining from federal inspections conducted prior to the "operational status" of the Puerto Rico State Plan. Because PR OSHA has now been operational for over forty years, there are no longer any open federal cases falling within this provision, therefore it was determined this provision was no longer necessary and it has been deleted from the 2025 OSA.

Fifth, the 1981 OSA had a provision noting that federal OSHA could exercise its authority to enforce new standards until such time as the State Plan adopted a comparable standard and a provision noting that Federal OSHA could exercise its authority to enforce new standards that are particularly unique or complex. As is common in more modern OSAs, these specific provisions have been removed and replaced with a more general provision noting that federal OSHA can inspect and take appropriate enforcement action in extraordinary circumstances or when the State Plan is not able to fully or effectively exercise its enforcement authority, which could include both situations, among others.

Sixth, the 2025 OSA includes a new provision that notes that federal OSHA can exercise its authority to inspect and take appropriate enforcement action at an entire project or facility where federal and State Plan authorities both have enforcement authority in the interest of administrative practicability.

The provision states that federal enforcement may be exercised immediately upon agreement between federal OSHA and the State Plan. This provision was not included in the 1981 OSA but is a standard provision federal OSHA has found helpful with experience over the past several decades to include in more modern OSAs. Accordingly, it has been added to the 2025 OSA.

Finally, the 1981 OSA contained a provision noting that OSHA would publish a notice in the **Federal Register** to describe instances of resumed federal enforcement authority. This provision has been removed from the 2025 OSA, as it is redundant of existing notice obligations OSHA has codified in State Plan-related regulations. Accordingly, it is no longer necessary to include this provision in the OSA.

Effective immediately, federal OSHA and PR OSHA will exercise their respective enforcement authorities according to the terms of the 2025 OSA between them. As detailed in the 2025 OSA, federal enforcement responsibility under the OSH Act will continue to be exercised with regard to: federal government employers, including the United States Postal Service (USPS), as well as contractors and contractor-operated facilities engaged in USPS mail operations; private sector employers within the secured borders of all United States military installations where access is controlled; all working conditions of aircraft cabin crewmembers onboard aircraft in operation; private sector employers performing work on federal government owned or leased property where federal employees are regularly present, at federal government-owned contractor-operated sites, and construction on federal property; marine construction conducted by private employers; all maritime employment, including shipyard employment, marine terminals, and longshoring; situations where PR OSHA is refused entry and is unable to obtain a warrant or enforce the right of entry; and situations where PR OSHA is temporarily unable to exercise its enforcement authority fully or effectively. Federal responsibility will also continue to be exercised with regard to investigation and inspection for the purpose of carrying out the monitoring obligations under Section 18(f) of the OSH Act, 29 U.S.C. 667(f), as implemented by 29 CFR part 1954, and the enforcement of complaints filed with federal OSHA under the OSH Act's whistleblower provision, Section 11(c), 29 U.S.C. 660(c). The exceptions to the Puerto Rico State Plan's occupational safety and health coverage are listed on

OSHA's website at <https://www.osha.gov/stateplans/pr>.

III. Authority and Signature

David. Keeling, Assistant Secretary for the Occupational Safety and Health Administration, U.S. Department of Labor, authorized the preparation of this notice. OSHA is issuing this notice under the authority specified by Section 18 of the Occupational Safety and Health Act of 1970 (29 U.S.C. 667), Secretary of Labor's Order No. 07–2025 (90 FR 27878), and 29 CFR parts 1902 and 1953.

Signed in Washington, DC, on April 16, 2026.

David. Keeling,

Assistant Secretary for the Occupational Safety and Health Administration (OSHA).

[FR Doc. 2026–08108 Filed 4–23–26; 8:45 am]

BILLING CODE 4510–26–P

DEPARTMENT OF TRANSPORTATION

Pipeline and Hazardous Materials Safety Administration

49 CFR Part 190

[Docket No. PHMSA–2026–1539; Amdt. No. 190–27]

RIN 2137–AG43

Pipeline Safety: Electronic Submission of Requests for Written Interpretations and Special Permits

AGENCY: Pipeline and Hazardous Materials Safety Administration (PHMSA), Department of Transportation (DOT).

ACTION: Final rule.

SUMMARY: This final rule makes certain editorial corrections and non-substantive changes to 49 CFR part 190 to facilitate the electronic submission of requests for written interpretations and special permits.

DATES: This rule is effective August 3, 2026.

FOR FURTHER INFORMATION CONTACT:

Angela Hill, Transportation Specialist, 1200 New Jersey Avenue SE, Washington, DC 20590, 202–680–2034, angela.hill@dot.gov.

SUPPLEMENTARY INFORMATION: In this final rule, PHMSA is making certain editorial corrections and non-substantive changes to the procedural requirements in 49 CFR part 190 to facilitate the electronic submission of requests for written interpretations and special permits. Specifically, § 190.11(b) specifies the procedures for obtaining a written regulatory interpretation,

response to a question, or an opinion concerning pipeline safety. PHMSA is revising § 190.11(b) to include an email address as an additional option for submitting the requests to PHMSA. Currently, operators may submit a written regulatory interpretation request by mail to the Office of Pipeline Safety at 1200 New Jersey Avenue SE, Washington, DC 20590–0001.

Similarly, § 190.341(b) specifies the procedures for applying for a special permit. Applications for special permits must be submitted either by direct fax to PHMSA at (202) 366–4566 or by mail, including express mail or overnight courier, to the Associate Administrator for Pipeline Safety, PHMSA at 1200 New Jersey Avenue SE, East Building, Washington, DC 20590. PHMSA is revising § 190.341(b) to add the option for applicants to submit requests for special permits electronically.

Regulatory Analyses and Notices

A. Legal Authority

This final rule is published under the authority of the Secretary of Transportation set forth in the Federal Pipeline Safety Laws (49 U.S.C. 60101 *et seq.*) and delegated to the PHMSA Administrator pursuant to 49 CFR 1.97. PHMSA has good cause under 5 U.S.C. 553(b)(B) to issue this final rule without prior notice and comment. PHMSA finds that notice and comment is unnecessary as the change is a minor amendment and is inherently non-burdensome because PHMSA is simply revising the requirements in §§ 190.11(b) and 190.341(b) to include the option to submit certain requests to PHMSA electronically.

B. Executive Order 12866

E.O. 12866, *Regulatory Planning and Review*, as implemented by DOT Order 2100.6B (“Policies and Procedures for Rulemaking”) and DOT Order 2100.7 (“Ensuring Reliance upon Sound Economic Analysis in Department of Transportation Policies, Programs, and Activities”), requires agencies to regulate in the “most cost-effective manner,” to make a “reasoned determination that the benefits of the intended regulation justify its costs,” and to develop regulations that “impose the least burden on society.” In arriving at those conclusions, E.O. 12866 requires that agencies should consider “both quantifiable measures . . . and qualitative measures of costs and benefits that are difficult to quantify” and “maximize net benefits . . . unless a statute requires another regulatory approach.” E.O. 12866 also requires that “agencies should assess all costs and

benefits of available regulatory alternatives, including the alternative of not regulating.” DOT Order 2100.6B directs that PHMSA and other Operating Administrations must generally choose the “least costly regulatory alternative that achieves the relevant objectives” unless required by law or compelling safety need. DOT Order 2100.6B also specifies that regulations should generally “not be issued unless their benefits are expected to exceed their costs” except where required by law or compelling safety need. DOT Order 2100.7 requires that “all rulemaking activities shall be based on sound economic principles and analysis supported by rigorous cost-benefit requirement,” also specifies that regulations should generally “not be issued unless their benefits are expected to exceed their costs.” DOT Order 2100.7 requires that “all rulemaking activities shall be based on sound economic principles and analysis supported by rigorous cost-benefit requirement.”

E.O. 12866 and DOT Order 2100.6B also require that PHMSA submit “significant regulatory actions” to the Office of Information and Regulatory Affairs (OIRA) within the Executive Office of the President’s Office of Management and Budget (OMB) for review. This final rule is a not significant regulatory action pursuant to E.O. 12866; OMB also has not designated this rule as a “major rule” as defined by the Congressional Review Act (5 U.S.C. 801 *et seq.*).

PHMSA has complied with the procedural and analytical requirements in E.O. 12866 as implemented by DOT Order 2100.6B and DOT Order 2100.7. This final rule does not impose new burdens, as the changes made therein are non-substantive and do not impose new requirements in the Federal Pipeline Safety Regulations. Similarly, the final rule does not have any adverse effects on safety.

C. Executive Orders 14192 and 14219

This final rule is considered a deregulatory action pursuant to E.O. 14192, *Unleashing Prosperity Through Deregulation*. PHMSA estimates that the total costs of the rule on the regulated community will be *de minimis*. This final rule adds the option for applicants to submit requests for special permits electronically. The non-substantive changes of this rulemaking do not impose any new requirements on pipeline operators and should improve the clarity and compliance with the Federal Pipeline Safety Regulations. Nor does this rule implicate any of the factors identified in section 2(a) of E.O.

14219, *Ensuring Lawful Governance and Implementing the President’s “Department of Government Efficiency” Deregulatory Initiative*, indicative that a regulation is “unlawful . . . [or] that undermine[s] the national interest.”

D. Energy-Related Executive Orders 13211, 14154, and 14156

The President has declared in E.O. 14156, *Declaring a National Energy Emergency*, a National emergency to address America’s inadequate energy development production, transportation, refining, and generation capacity. Similarly, E.O. 14154, *Unleashing American Energy*, asserts a Federal policy to unleash American energy by ensuring access to abundant supplies of reliable, affordable energy from (inter alia) the removal of “undue burden[s]” on the identification, development, or use of domestic energy resources such as PHMSA-jurisdictional gases and hazardous liquids. PHMSA finds this final rule is consistent with each of E.O. 14156 and E.O. 14154. The final rule will improve the ease of submitting certain requests to PHMSA by adding the option to submit them electronically. The provisions of this final rule are non-substantive and will not impose new requirements on pipeline operators; they are intended to promote the ease of operators complying with the existing regulations.

This final rule is not a “significant energy action” under E.O. 13211, *Actions Concerning Regulations That Significantly Affect Energy Supply, Distribution, or Use*, which requires Federal agencies to prepare a Statement of Energy Effects for any “significant energy action.” Because this final rule is not a significant action under E.O. 12866, it will not have a significant adverse effect on supply, distribution, or energy use.

E. Executive Order 13132: Federalism

PHMSA analyzed this final rule in accordance with the principles and criteria contained in E.O. 13132, *Federalism*, and the Presidential Memorandum “Preemption” published in the **Federal Register** on May 22, 2009. E.O. 13132 requires agencies to assure meaningful and timely input by State and local officials in the development of regulatory policies that may have “substantial direct effects on the States, on the relationship between the National Government and the States, or on the distribution of power and responsibilities among the various levels of government.”

While the final rule may operate to preempt some State requirements, it would not impose any regulation that

has substantial direct effects on the States, the relationship between the National Government and the States, or the distribution of power and responsibilities among the various levels of government. Section 60104(c) of the Federal Pipeline Safety Laws prohibits certain State safety regulation of interstate pipelines. Under the Federal Pipeline Safety Laws, States that have submitted a current certification under section 60105(a) can augment Federal pipeline safety requirements for intrastate pipelines regulated by PHMSA but may not approve safety requirements less stringent than those required by Federal law. A State may also regulate an intrastate pipeline facility that PHMSA does not regulate. The preemptive effect of the regulatory amendments in this final rule is limited to the minimum level necessary to achieve the objectives of the Federal Pipeline Safety Laws. Therefore, the consultation and funding requirements of E.O. 13132 do not apply.

F. Regulatory Flexibility Act

The Regulatory Flexibility Act (RFA, 5 U.S.C. 601 *et seq.*) requires Federal agencies to conduct a Final Regulatory Flexibility Analysis (FRFA) for a final rule subject to notice-and-comment rulemaking, unless the agency certifies that the rule will not have a significant economic impact on a substantial number of small entities. The RFA applies only to rules for which an agency is required to first publish a proposed rule (see 5 U.S.C. 603(a) and 604(a)). PHMSA is not required to publish a notice of proposed rulemaking for this final rule, so the RFA does not apply. However, PHMSA expects the final rule will provide operators additional flexibility by allowing for special permit requests via email. Further, the regulatory amendments introduced here will not impose additional burdens on any operator.

G. Unfunded Mandates Reform Act of 1995

The Unfunded Mandates Reform Act (UMRA, 2 U.S.C. 1501 *et seq.*) requires agencies to assess the effects of Federal regulatory actions on State, local, and Tribal governments, and the private sector. For any proposed or final rule that includes a Federal mandate that may result in the expenditure by State, local, and Tribal governments, in the aggregate of \$100 million or more in 1996 dollars (\$203 million in 2024) in any given year, the agency must prepare, amongst other things, a written statement that qualitatively and quantitatively assesses the costs and benefits of the Federal mandate.

This final rule does not impose unfunded mandates under UMRA because it does not result in costs of \$100 million or more (in 1996 dollars) per year for either State, local, or Tribal governments, or to the private sector.

H. National Environmental Policy Act

PHMSA has analyzed this rule pursuant to the National Environmental Policy Act (NEPA, 42 U.S.C. 4321 *et seq.*) and has determined it is categorically excluded under 23 CFR 771.117(c)(20), which applies to the promulgation of rules, regulations, and directives. Under section 9 of DOT Order 5610.1D (“DOT’s Procedures for Considering Environmental Impacts”), PHMSA may apply a categorical exclusion in another Operating Administration’s apply a categorical exclusion issued by the Federal Highway Administration (FHWA) to this deregulatory action. PHMSA does not anticipate any adverse environmental impacts from this rule, and PHMSA has determined no unusual circumstances are present under 23 CFR 771.117(b). PHMSA’s Categorical Exclusion Determination memo for this action is available on PHMSA’s website.¹

I. Executive Order 13175

PHMSA analyzed this final rule according to the principles and criteria in E.O. 13175, *Consultation and Coordination with Indian Tribal Governments*, and DOT Order 5301.1A (“Department of Transportation Tribal Consultation Policies and Procedures”). E.O. 13175 requires agencies to assure meaningful and timely input from Tribal government representatives in the development of rules that significantly or uniquely affect Tribal communities by imposing “substantial direct compliance costs” or “substantial direct effects” on such communities or the relationship or distribution of power between the Federal Government and Tribes.

PHMSA assessed the impact of the final rule and determined that it will not significantly or uniquely affect Tribal communities or Indian Tribal governments. The rulemaking’s regulatory amendments have a broad, national scope; therefore, this final rule will not significantly or uniquely affect Tribal communities, much less impose substantial compliance costs on Native American Tribal governments or mandate Tribal action. For these reasons, PHMSA has concluded that the

funding and consultation requirements of E.O. 13175 and DOT Order 5301.1A do not apply.

J. Paperwork Reduction Act

The Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*) and its implementing regulations at 5 CFR 1320.8(d) requires that PHMSA provide interested members of the public and affected agencies with an opportunity to comment on information collection and recordkeeping requests. This rulemaking will not create, amend, or rescind any existing information collections.

K. Executive Order 13609 and International Trade Analysis

E.O. 13609, *Promoting International Regulatory Cooperation*, requires agencies consider whether the impacts associated with significant variations between domestic and international regulatory approaches are unnecessary or may impair the ability of American business to export and compete internationally. In meeting shared challenges involving health, safety, labor, security, environmental, and other issues, international regulatory cooperation can identify approaches that are at least as protective as those that are or would be adopted in the absence of such cooperation. International regulatory cooperation can also reduce, eliminate, or prevent unnecessary differences in regulatory requirements.

Similarly, the Trade Agreements Act of 1979 (Pub. L. 96–39), as amended by the Uruguay Round Agreements Act (Pub. L. 103–465), prohibits Federal agencies from establishing any standards or engaging in related activities that create unnecessary obstacles to the foreign commerce of the United States. For purposes of these requirements, Federal agencies may participate in the establishment of international standards, so long as the standards have a legitimate domestic objective, such as providing for safety, and do not operate to exclude imports that meet this objective. The statute also requires consideration of international standards and, where appropriate, that they be the basis for U.S. standards.

PHMSA engages with international standards setting bodies to protect the safety of the American public. PHMSA has assessed the effects of the final rule and has determined that its regulatory amendments will not cause unnecessary obstacles to foreign trade.

L. Cybersecurity and Executive Order 14028

E.O. 14028, *Improving the Nation’s Cybersecurity*, directs the Federal Government to improve its efforts to identify, deter, and respond to “persistent and increasingly sophisticated malicious cyber campaigns.” PHMSA has considered the effects of the final rule and has determined that its regulatory amendments will not materially affect the cybersecurity risk profile for pipeline facilities.

List of Subjects in 49 CFR Part 190

Natural gas, Pipeline safety.

In consideration of the foregoing, PHMSA amends 49 CFR part 190 as follows:

PART 190—PIPELINE SAFETY ENFORCEMENT AND REGULATORY PROCEDURES

■ 1. The authority citation for 49 CFR part 190 continues to read as follows:

Authority: 33 U.S.C. 1321(b), 49 U.S.C. 60101 *et seq.*

■ 2. In § 190.11, revise paragraph (b) to read as follows:

§ 190.11 Availability of informal guidance and interpretive assistance.

* * * * *

(b) *Availability of written interpretations.* A written regulatory interpretation, response to a question, or an opinion concerning a pipeline safety issue may be obtained by submitting a written request to the Office of Pipeline Safety (PHP–30), PHMSA, U.S. Department of Transportation, 1200 New Jersey Avenue SE, Washington, DC 20590–0001 or by email to pipeline_interp_submittal@dot.gov. The requestor must include his or her return address and should also include a daytime telephone number. Written requests should be submitted at least 120 days before the time the requestor needs a response.

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■ 3. In § 190.341, revise paragraph (b)(2) to read as follows:

§ 190.341 Special permits.

* * * * *

(b) * * *

(2) Mail, express mail, or overnight courier to the Associate Administrator for Pipeline Safety, Pipeline and Hazardous Materials Safety Administration, 1200 New Jersey Avenue SE, East Building, Washington, DC 20590 or by email to pipelinespecialpermits@dot.gov.

* * * * *

¹ PHMSA, *Implementing Procedures*, <https://www.phmsa.dot.gov/planning-and-analytics/environmental-analysis-and-compliance/implementing-procedures>.

Issued in Washington, DC, on April 22, 2026, under the authority delegated in 49 CFR 1.97.

Paul J. Roberti,
Administrator.

[FR Doc. 2026–08056 Filed 4–23–26; 8:45 am]

BILLING CODE 4910–60–P

DEPARTMENT OF TRANSPORTATION

Pipeline and Hazardous Materials Safety Administration

49 CFR Part 190

[Docket No. PHMSA–2026–1537; Amdt. No. 190–25]

RIN 2137–AG41

Pipeline Safety: Declaratory Order Procedures

AGENCY: Pipeline and Hazardous Materials Safety Administration (PHMSA), Department of Transportation (DOT).

ACTION: Final rule.

SUMMARY: PHMSA is adopting a new regulation at 49 CFR 190.13 to establish procedures for issuing declaratory orders.

DATES: Effective on April 24, 2026.

FOR FURTHER INFORMATION CONTACT: Timothy O’Shea, Attorney-Advisor, Office of Chief Counsel, Pipeline and Hazardous Materials Safety Administration, U.S. Department of Transportation, 1200 New Jersey Avenue SE, Washington, DC 20590, *timothy.o’shea@dot.gov*.

SUPPLEMENTARY INFORMATION:

I. Discussion

The Protecting our Infrastructure of Pipelines and Enhancing Safety (PIPES) Act of 2020 directed PHMSA to “allow an operator to request that an issue of controversy or uncertainty be addressed through a declaratory order in accordance with section 554(e) of title 5.” Public Law 116–260, 134 Stat. 2222, Sec. 108(a)(2), Dec. 27, 2020 (codified at 49 U.S.C. 60117(b)(1)(J)). PHMSA has adopted pipeline safety enforcement and regulatory procedures in part 190, but those regulations do not address the issuance of declaratory orders under the PIPES Act of 2020 mandate. PHMSA has indicated in prior proceedings that it is “committed to including an opportunity for public comment in circumstances in which it exercises its authority to issue a declaratory order.” (88 FR 77245 (Nov. 9, 2023)). In writing this final rule, PHMSA reviewed the declaratory order processes used by other agencies, including the U.S. Maritime

Administration, the Federal Maritime Commission, and the Federal Communications Commission.

This final rule adopts procedures for the issuance of declaratory orders in § 190.13, including filing and public notice requirements and provisions for the granting and denial of petitions. It also addresses the availability of petition for reconsiderations and judicial review.

II. Regulatory Analyses and Notices:

A. Legal Authority

This final rule is published under the authority of the Secretary of Transportation as set forth in the Federal Pipeline Safety Laws (49 U.S.C. 60101 *et seq.*) and delegated to the PHMSA Administrator pursuant to 49 CFR 1.97. The amendments adopted herein affect provisions in part 190 governing PHMSA’s procedures and therefore pertain to “rules of agency organization, procedure, or practice” that are being published as a final rule without notice and comment and with an immediate effective date as permitted by 5 U.S.C. 553(b)(A). PHMSA also finds that publication of a proposed rulemaking on which comment is solicited would be “unnecessary” pursuant to section 553(b)(B) of the Administrative Procedure Act (5 U.S.C. 551 *et seq.*) because this rulemaking merely codifies PHMSA’s current, informal procedures governing the submission and review of petitions for declaratory orders.

B. Executive Order 12866

E.O. 12866, *Regulatory Planning and Review*, as implemented by DOT Order 2100.6B (“Policies and Procedures for Rulemaking”) and DOT Order 2100.7 (“Ensuring Reliance upon Sound Economic Analysis in Department of Transportation Policies, Programs, and Activities”), requires agencies to regulate in the “most cost-effective manner,” to make a “reasoned determination that the benefits of the intended regulation justify its costs,” and to develop regulations that “impose the least burden on society.” In arriving at those conclusions, E.O. 12866 requires that agencies should consider “both quantifiable measures . . . and qualitative measures of costs and benefits that are difficult to quantify” and “maximize net benefits . . . unless a statute requires another regulatory approach.” E.O. 12866 also requires that “agencies should assess all costs and benefits of available regulatory alternatives, including the alternative of not regulating.” DOT Order 2100.6B directs that PHMSA and other Operating

Administrations must generally choose the “least costly regulatory alternative that achieves the relevant objectives” unless required by law or compelling safety need. DOT Order 2100.6B also specifies that regulations should generally “not be issued unless their benefits are expected to exceed their costs” except where required by law or compelling safety need. DOT Order 2100.7 requires that “all rulemaking activities shall be based on sound economic principles and analysis supported by rigorous cost-benefit requirement.”

E.O. 12866 and DOT Order 2100.6B also require that PHMSA submit “significant regulatory actions” to the Office of Information and Regulatory Affairs (OIRA) within the Executive Office of the President’s Office of Management and Budget (OMB) for review. This final rule is a not significant regulatory action pursuant to E.O. 12866; OMB also has not designated this rule as a “major rule” as defined by the Congressional Review Act (5 U.S.C. 801 *et seq.*).

PHMSA has complied with the procedural and analytical requirements in E.O. 12866 as implemented by DOT Order 2100.6B and DOT Order 2100.7. This final rule does not impose new burdens, as the changes made therein are non-substantive and do not impose additional requirements to how previous petitions have been processed. By establishing a written procedure, the final rule will introduce uniformity in the petition process. PHMSA also determined that the final rule will not have any adverse safety impacts.

C. Executive Orders 14192 and 14219

This final rule is considered a deregulatory action pursuant to E.O. 14192, *Unleashing Prosperity Through Deregulation*. PHMSA estimates that the total costs of the rule on the regulated community will be *de minimis*, as the non-substantive changes of this rulemaking do not impose any new requirements on pipeline operators, and the changes therein should improve the clarity and compliance with PHMSA regulations. Nor does this rule implicate any of the factors identified in section 2(a) of E.O. 14219, *Ensuring Lawful Governance and Implementing the President’s “Department of Government Efficiency” Deregulatory Initiative*, indicative that a regulation is “unlawful . . . [or] that undermine[s] the national interest.”

D. Energy-Related Executive Orders 13211, 14154, and 14156

The President has declared in E.O. 14156, *Declaring a National Energy*

Emergency, a National emergency to address America's inadequate energy development production, transportation, refining, and generation capacity. Similarly, E.O. 14154, *Unleashing American Energy*, asserts a Federal policy to unleash American energy by ensuring access to abundant supplies of reliable, affordable energy from (inter alia) the removal of "undue burden[s]" on the identification, development, or use of domestic energy resources such as PHMSA-jurisdictional gases and hazardous liquids. PHMSA finds this final rule is consistent with each of E.O. 14156 and E.O. 14154. The final rule will give clarity to pipeline operators on how they may request a declaratory order to address an issue of controversy or uncertainty regarding the Federal Pipeline Safety Regulations. The provisions of this final rule are non-substantive and will not impose new requirements on pipeline operators.

This final rule is not a "significant energy action" under E.O. 13211, *Actions Concerning Regulations That Significantly Affect Energy Supply, Distribution, or Use*, which requires Federal agencies to prepare a Statement of Energy Effects for any "significant energy action." Because this final rule is not a significant action under E.O. 12866, it will not have a significant adverse effect on supply, distribution, or energy use.

E. Executive Order 13132: Federalism

PHMSA analyzed this final rule in accordance with the principles and criteria contained in E.O. 13132, *Federalism*, and the Presidential Memorandum ("Preemption") published in the **Federal Register** on May 22, 2009. E.O. 13132 requires agencies to assure meaningful and timely input by State and local officials in the development of regulatory policies that may have "substantial direct effects on the States, on the relationship between the National Government and the States, or on the distribution of power and responsibilities among the various levels of government."

While the final rule may operate to preempt some State requirements, it would not impose any regulation that has substantial direct effects on the States, the relationship between the National Government and the States, or the distribution of power and responsibilities among the various levels of government. Section 60104(c) of the Federal Pipeline Safety Laws prohibits certain State safety regulation of interstate pipelines. Under the Federal Pipeline Safety Laws, States that have submitted a current certification

under section 60105(a) can augment Federal pipeline safety requirements for intrastate pipelines regulated by PHMSA but may not approve safety requirements less stringent than those required by Federal law. A State may also regulate an intrastate pipeline facility that PHMSA does not regulate. The preemptive effect of the regulatory amendments in this final rule is limited to the minimum level necessary to achieve the objectives of the Federal Pipeline Safety Laws. Therefore, the consultation and funding requirements of E.O. 13132 do not apply.

F. Regulatory Flexibility Act

The Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*) requires Federal agencies to conduct a Final Regulatory Flexibility Analysis (FRFA) for a final rule subject to notice-and-comment rulemaking, unless the agency certifies that the rule will not have a significant economic impact on a substantial number of small entities. The RFA applies only to rules for which an agency is required to first publish a proposed rule (*see* 5 U.S.C. 603(a) and 604(a)). PHMSA is not required to publish a notice of proposed rulemaking for this final rule, so the RFA does not apply. However, PHMSA expects no affected operators will face significant costs from regulatory amendments clarifying procedures for declaratory orders; such clarification will likely reduce regulatory burdens as it enhances regulatory certainty in the procedures governing declaratory orders.

G. Unfunded Mandates Reform Act of 1995

The Unfunded Mandates Reform Act (UMRA, 2 U.S.C. 1501 *et seq.*) requires agencies to assess the effects of Federal regulatory actions on State, local, and Tribal governments, and the private sector. For any proposed or final rule that includes a Federal mandate that may result in the expenditure by State, local, and Tribal governments, in the aggregate of \$100 million or more in 1996 dollars (\$203 million in 2024 dollars) in any given year, the agency must prepare, amongst other things, a written statement that qualitatively and quantitatively assesses the costs and benefits of the Federal mandate.

This final rule does not impose unfunded mandates under UMRA because it does not result in costs of \$100 million or more in 1996 dollars (\$203 million in 2024 dollars) per year for either State, local, or Tribal governments, or to the private sector.

H. National Environmental Policy Act

PHMSA has analyzed this rule pursuant to the National Environmental Policy Act (NEPA, 42 U.S.C. 4321 *et seq.*) and has determined it is categorically excluded under 23 CFR 771.117(c)(20), which applies to the promulgation of rules, regulations, and directives. Under section 9 of DOT Order 5610.1D ("DOT's Procedures for Considering Environmental Impacts"), PHMSA may apply a categorical exclusion (CE) established in another Operating Administration's procedures. PHMSA followed the requirements outlined in DOT Order 5610.1D to apply a CE issued by the Federal Highway Administration to this deregulatory action. PHMSA does not anticipate any adverse environmental impacts from this rule, and PHMSA has determined no unusual circumstances are present under 23 CFR 771.117(b). PHMSA's CE Determination memo for this action is available on PHMSA's website.¹

I. Executive Order 13175

PHMSA analyzed this final rule according to the principles and criteria in E.O. 13175, *Consultation and Coordination with Indian Tribal Governments*, and DOT Order 5301.1A ("Department of Transportation Tribal Consultation Policies and Procedures"). E.O. 13175 requires agencies to assure meaningful and timely input from Tribal government representatives in the development of rules that significantly or uniquely affect Tribal communities by imposing "substantial direct compliance costs" or "substantial direct effects" on such communities or the relationship or distribution of power between the Federal Government and Tribes.

PHMSA assessed the impact of the final rule and determined that it will not significantly or uniquely affect Tribal communities or Indian Tribal governments. The rulemaking's regulatory amendments have a broad, national scope; therefore, this final rule will not significantly or uniquely affect Tribal communities, much less impose substantial compliance costs on Native American Tribal governments or mandate Tribal action. For these reasons, PHMSA has concluded that the funding and consultation requirements of E.O. 13175 and DOT Order 5301.1A do not apply.

¹ PHMSA, *Implementing Procedures*, <https://www.phmsa.dot.gov/planning-and-analytics/environmental-analysis-and-compliance/implementing-procedures>.

J. Paperwork Reduction Act

The Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*) and its implementing regulations at 5 CFR 1320.8(d) requires that PHMSA provide interested members of the public and affected agencies with an opportunity to comment on information collection and recordkeeping requests. This rulemaking will not create, amend, or rescind any existing information collections.

K. Executive Order 13609 and International Trade Analysis

E.O. 13609, *Promoting International Regulatory Cooperation*, requires agencies consider whether the impacts associated with significant variations between domestic and international regulatory approaches are unnecessary or may impair the ability of American business to export and compete internationally. In meeting shared challenges involving health, safety, labor, security, environmental, and other issues, international regulatory cooperation can identify approaches that are at least as protective as those that are or would be adopted in the absence of such cooperation. International regulatory cooperation can also reduce, eliminate, or prevent unnecessary differences in regulatory requirements.

Similarly, the Trade Agreements Act of 1979 (Pub. L. 96–39), as amended by the Uruguay Round Agreements Act (Pub. L. 103–465), prohibits Federal agencies from establishing any standards or engaging in related activities that create unnecessary obstacles to the foreign commerce of the United States. For purposes of these requirements, Federal agencies may participate in the establishment of international standards, so long as the standards have a legitimate domestic objective, such as providing for safety, and do not operate to exclude imports that meet this objective. The statute also requires consideration of international standards and, where appropriate, that they be the basis for U.S. standards.

PHMSA engages with international standards setting bodies to protect the safety of the American public. PHMSA has assessed the effects of the final rule and has determined that its regulatory amendments will not cause unnecessary obstacles to foreign trade.

L. Cybersecurity and Executive Order 14028

E.O. 14028, *Improving the Nation's Cybersecurity*, directs the Federal Government to improve its efforts to identify, deter, and respond to

“persistent and increasingly sophisticated malicious cyber campaigns.” PHMSA has considered the effects of the final rule and has determined that its regulatory amendments will not materially affect the cybersecurity risk profile for pipeline facilities.

List of Subjects in 49 CFR Part 190

Administrative practice and procedure.

In consideration of the foregoing, PHMSA amends 49 CFR part 190 as follows:

PART 190—PIPELINE SAFETY ENFORCEMENT AND REGULATORY PROCEDURES

■ 1. The authority citation for part 190 continues to read as follows:

Authority: 33 U.S.C. 1321(b); 49 U.S.C. 60101 *et seq.*

■ 2. Add § 190.13 to Subpart A to read as follows:

§ 190.13 Declaratory Orders.

(a) *In general.* An operator may request that an issue of controversy or uncertainty be addressed through the issuance of a declaratory order in accordance with this section and 5 U.S.C. 554(e).

(b) *Filing of petition.* A petition for declaratory order is filed by sending the petition to the Associate Administrator, Pipeline and Hazardous Materials Safety Administration, 1200 New Jersey Avenue SE, Washington, DC 20590. A petition for declaratory order must include a complete and accurate statement of the relevant facts, identification of an issue of controversy or uncertainty, and an explanation of how a declaratory order would remove the uncertainty or terminate the controversy.

(c) *Notice of petition.* Upon receiving a petition for declaratory order that satisfies the requirements of this section, the Associate Administrator will publish a notice acknowledging receipt of the petition along with a request for public comment in the **Federal Register**.

(d) *Issuance of a declaratory order.* After considering any comments, the Associate Administrator will issue a declaratory order or deny the petition. A declaratory order will include a statement of the relevant facts, application of law, and determination as to the issue of controversy or uncertainty. A declaratory order is effective upon issuance to the requestor and constitutes a legally binding determination upon the requestor and the facts described in the order.

(e) *Denial of petition.* If the Associate Administrator denies a petition for declaratory order, the Associate Administrator will respond with a brief statement of the grounds for denial.

(f) *Petitions for reconsideration; finality; judicial review.* The operator may petition for reconsideration of a declaratory order issued under this section. A petition for reconsideration must be received by the Associate Administrator, Pipeline and Hazardous Materials Safety Administration, 1200 New Jersey Avenue SE, Washington, DC 20590, no later than 20 days after issuance of the order. The filing of a petition under this section does not stay the legal effect of the order, unless the Associate Administrator provides otherwise. If the Associate Administrator receives a petition for reconsideration under this section, the decision on reconsideration is the final administrative action. Any application for judicial review must be filed no later than 89 days after the issuance of the order or the decision on reconsideration in accordance with 49 U.S.C. 60119(a).

Issued in Washington, DC, on April 22, 2026, under authority delegated in 49 CFR 1.97.

Paul J. Roberti,
Administrator.

[FR Doc. 2026–08054 Filed 4–23–26; 8:45 am]

BILLING CODE 4910–60–P

DEPARTMENT OF TRANSPORTATION

Pipeline and Hazardous Materials Safety Administration

49 CFR Part 190

[Docket No. PHMSA–2026–1538; Amdt. No. 190–26]

RIN 2137–AG42

Pipeline Safety: Consent Orders.

AGENCY: Pipeline and Hazardous Materials Safety Administration (PHMSA), Department of Transportation (DOT).

ACTION: Final rule.

SUMMARY: PHMSA is amending its procedural regulations to clarify that consent agreements may be used to resolve all PHMSA enforcement proceedings, including cases with civil penalties.

DATES: Effective on April 24, 2026.

FOR FURTHER INFORMATION CONTACT: Kathleen Maitland, Attorney Advisor, Office of Chief Counsel, Pipeline and Hazardous Materials Safety Administration, U.S. Department of Transportation, 1200 New Jersey

Avenue SE, Washington, DC 20590,
kathleen.maitland@dot.gov.

SUPPLEMENTARY INFORMATION:

I. Discussion

PHMSA regulations governing enforcement proceedings in 49 CFR 190 allow parties to resolve certain matters by entering into consent agreements and orders. However, the regulations do not specifically authorize the use of consent agreements and orders to resolve all enforcement proceedings, including those involving civil penalties.

In this final rule, PHMSA is clarifying that consent agreements and orders may be used to resolve all enforcement proceedings brought under the part 190, subpart B regulations. Specifically, the final rule amends § 190.219(a) to state that any pending enforcement proceeding may be resolved by consent agreement and order. It also amends § 190.219(b)(3) to reference enforcement notices generally, rather than notices of probable violation specifically. Finally, the final rule includes as an available response option in § 190.208(a) a request for execution of a consent agreement and order for notices of probable violation that include a civil penalty.

II. Regulatory Analyses and Notices

A. Legal Authority

This final rule is published under the authority of the Secretary of Transportation as set forth in the Federal Pipeline Safety Laws (49 U.S.C. 60101 *et seq.*) and delegated to the PHMSA Administrator pursuant to 49 CFR 1.97. The amendments adopted herein affect provisions in 49 CFR part 190 governing PHMSA's enforcement procedures and therefore pertain to "rules of agency organization, procedure, or practice" that are being published as a final rule without notice and comment and with an immediate effective date as permitted by 5 U.S.C. 553(b)(A). PHMSA similarly finds that publication of a proposed rulemaking on which comment is solicited would be "unnecessary" pursuant to section 553(b)(B) of the Administrative Procedure Act (5 U.S.C. 551 *et seq.*) because this rulemaking merely aligns PHMSA enforcement regulations with current practices for resolving some enforcement actions.

B. Executive Order 12866

E.O. 12866, *Regulatory Planning and Review*, as implemented by DOT Order 2100.6B ("Policies and Procedures for Rulemaking") and DOT Order 2100.7 ("Ensuring Reliance upon Sound Economic Analysis in Department of

Transportation Policies, Programs, and Activities"), requires agencies to regulate in the "most cost-effective manner," to make a "reasoned determination that the benefits of the intended regulation justify its costs," and to develop regulations that "impose the least burden on society." In arriving at those conclusions, E.O. 12866 requires that agencies should consider "both quantifiable measures . . . and qualitative measures of costs and benefits that are difficult to quantify" and "maximize net benefits . . . unless a statute requires another regulatory approach." E.O. 12866 also requires that "agencies should assess all costs and benefits of available regulatory alternatives, including the alternative of not regulating." DOT Order 2100.6B directs that PHMSA and other Operating Administrations must generally choose the "least costly regulatory alternative that achieves the relevant objectives" unless required by law or compelling safety need. DOT Order 2100.6B also specifies that regulations should generally "not be issued unless their benefits are expected to exceed their costs." DOT Order 2100.7 requires that "all rulemaking activities shall be based on sound economic principles and analysis supported by rigorous cost-benefit requirement."

E.O. 12866 and DOT Order 2100.6B also require that PHMSA submit "significant regulatory actions" to the Office of Information and Regulatory Affairs (OIRA) within the Executive Office of the President's Office of Management and Budget (OMB) for review. This final rule is a not significant regulatory action pursuant to E.O. 12866; OMB also has not designated this rule as a "major rule" as defined by the Congressional Review Act (5 U.S.C. 801 *et seq.*).

PHMSA has complied with the procedural and analytical requirements in E.O. 12866 as implemented by DOT Order 2100.6B and DOT Order 2100.7. This final rule does not impose new burdens, as the changes made therein are non-substantive and do not impose additional requirements to how previous petitions have been processed. By establishing a written procedure, the final rule will introduce uniformity in the petition process. PHMSA also determined that the final rule will not have any adverse safety impacts.

C. Executive Orders 14192 and 14219

This final rule is considered a deregulatory action pursuant to E.O. 14192, *Unleashing Prosperity Through Deregulation*. PHMSA estimates that the total costs of the rule on the regulated community will be *de minimis*, as the

non-substantive changes of this rulemaking do not impose any new requirements on pipeline operators, and the changes therein should improve the clarity and compliance with PHMSA regulations. By codifying PHMSA's current, informal procedures governing the submission and review of petitions for declaratory orders, the rulemaking places guardrails preventing potential abuse of agency discretion in the review of such petitions. Nor does this rule implicate any of the factors identified in section 2(a) of E.O. 14219, *Ensuring Lawful Governance and Implementing the President's "Department of Government Efficiency" Deregulatory Initiative*, indicative that a regulation is "unlawful . . . [or] that undermine[s] the national interest."

D. Energy-Related Executive Orders 13211, 14154, and 14156

The President has declared in E.O. 14156, *Declaring a National Energy Emergency*, a national emergency to address America's inadequate energy development production, transportation, refining, and generation capacity. Similarly, E.O. 14154, *Unleashing American Energy*, asserts a Federal policy to unleash American energy by ensuring access to abundant supplies of reliable, affordable energy from (inter alia) the removal of "undue burden[s]" on the identification, development, or use of domestic energy resources such as PHMSA-jurisdictional gases and hazardous liquids. PHMSA finds this final rule is consistent with each of E.O. 14156 and E.O. 14154. The final rule will clarify that consent agreements may be used to resolve all PHMSA enforcement proceedings, including cases with civil penalties. The provisions of this final rule are non-substantive and will not impose new requirements on pipeline operators.

This final rule is not a "significant energy action" under E.O. 13211, *Actions Concerning Regulations That Significantly Affect Energy Supply, Distribution, or Use*, which requires Federal agencies to prepare a Statement of Energy Effects for any "significant energy action." Because this final rule is not a significant action under E.O. 12866, it will not have a significant adverse effect on supply, distribution, or energy use; OIRA has therefore not designated this final rule as a significant energy action.

E. Executive Order 13132: Federalism

PHMSA analyzed this final rule in accordance with the principles and criteria contained in E.O. 13132, *Federalism*, and the Presidential Memorandum ("Preemption")

published in the **Federal Register** on May 22, 2009. E.O. 13132 requires agencies to assure meaningful and timely input by State and local officials in the development of regulatory policies that may have “substantial direct effects on the States, on the relationship between the National Government and the States, or on the distribution of power and responsibilities among the various levels of government.”

Because this final rule governs PHMSA’s enforcement procedures, it would not impose any regulation that has substantial direct effects on the States, the relationship between the National Government and the States, or the distribution of power and responsibilities among the various levels of government. Therefore, the consultation and funding requirements of E.O. 13132 do not apply.

F. Regulatory Flexibility Act

The Regulatory Flexibility Act (RFA, 5 U.S.C. 601 *et seq.*) requires Federal agencies to conduct a Final Regulatory Flexibility Analysis (FRFA) for a final rule subject to notice-and-comment rulemaking, unless the agency certifies that the rule will not have a significant economic impact on a substantial number of small entities. The RFA applies only to rules for which an agency is required to first publish a proposed rule (*see* 5 U.S.C. 603(a) and 604(a)). PHMSA is not required to publish a notice of proposed rulemaking for this final rule, so the RFA does not apply. However, PHMSA expects no affected operators will face significant costs from clarifying that consent orders may be used to resolve all PHMSA enforcement proceedings; such clarification will likely reduce regulatory burdens as it enhances regulatory certainty in the procedures governing resolution of PHMSA enforcement proceedings.

G. Unfunded Mandates Reform Act of 1995

The Unfunded Mandates Reform Act (UMRA, 2 U.S.C. 1501 *et seq.*) requires agencies to assess the effects of Federal regulatory actions on State, local, and Tribal governments, and the private sector. For any proposed or final rule that includes a Federal mandate that may result in the expenditure by State, local, and Tribal governments, in the aggregate of \$100 million or more in 1996 dollars (\$203 million in 2024 dollars) in any given year, the agency must prepare, amongst other things, a written statement that qualitatively and quantitatively assesses the costs and benefits of the Federal mandate.

This final rule does not impose unfunded mandates under UMRA because it does not result in costs of \$100 million or more (in 1996 dollars) per year for either State, local, or Tribal governments, or to the private sector.

H. National Environmental Policy Act

PHMSA has analyzed this rule pursuant to the National Environmental Policy Act (NEPA, 42 U.S.C. 4321 *et seq.*) and has determined it is categorically excluded under 23 CFR 771.117(c)(20), which applies to the promulgation of rules, regulations, and directives. Under section 9 of DOT Order 5610.1D (“DOT’s Procedures for Considering Environmental Impacts”), PHMSA may apply a categorical exclusion (CE) established in another Operating Administration’s (OA’s) procedures. PHMSA followed the requirements outlined in DOT Order 5610.1D to apply the Federal Highway Administration’s (FHWA’s) CE to this deregulatory action. PHMSA does not anticipate any adverse environmental impacts from this rule, and PHMSA has determined no unusual circumstances are present under 23 CFR 771.117(b). PHMSA’s Categorical Exclusion Determination memo for this action is available on PHMSA’s website.¹

I. Executive Order 13175

PHMSA analyzed this final rule according to the principles and criteria in E.O. 13175, *Consultation and Coordination with Indian Tribal Governments*, and DOT Order 5301.1A (“Department of Transportation Tribal Consultation Policies and Procedures”). E.O. 13175 requires agencies to assure meaningful and timely input from Tribal government representatives in the development of rules that significantly or uniquely affect Tribal communities by imposing “substantial direct compliance costs” or “substantial direct effects” on such communities or the relationship or distribution of power between the Federal Government and Tribes.

PHMSA assessed the impact of the final rule and determined that it will not significantly or uniquely affect Tribal communities or Indian Tribal governments. The rulemaking’s procedural amendments have a broad, national scope; therefore, this final rule will not significantly or uniquely affect Tribal communities, much less impose substantial compliance costs on Native American Tribal governments or mandate Tribal action. For these

reasons, PHMSA has concluded that the funding and consultation requirements of E.O. 13175 and DOT Order 5301.1A do not apply.

J. Paperwork Reduction Act

The Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*) and its implementing regulations at 5 CFR 1320.8(d) requires that PHMSA provide interested members of the public and affected agencies with an opportunity to comment on information collection and recordkeeping requests. This rulemaking will not create, amend, or rescind any existing information collections.

K. Executive Order 13609 and International Trade Analysis

E.O. 13609, *Promoting International Regulatory Cooperation*, requires agencies consider whether the impacts associated with significant variations between domestic and international regulatory approaches are unnecessary or may impair the ability of American business to export and compete internationally. In meeting shared challenges involving health, safety, labor, security, environmental, and other issues, international regulatory cooperation can identify approaches that are at least as protective as those that are or would be adopted in the absence of such cooperation. International regulatory cooperation can also reduce, eliminate, or prevent unnecessary differences in regulatory requirements.

Similarly, the Trade Agreements Act of 1979 (Pub. L. 96–39), as amended by the Uruguay Round Agreements Act (Pub. L. 103–465), prohibits Federal agencies from establishing any standards or engaging in related activities that create unnecessary obstacles to the foreign commerce of the United States. For purposes of these requirements, Federal agencies may participate in the establishment of international standards, so long as the standards have a legitimate domestic objective, such as providing for safety, and do not operate to exclude imports that meet this objective. The statute also requires consideration of international standards and, where appropriate, that they be the basis for U.S. standards.

PHMSA engages with international standards setting bodies to protect the safety of the American public. PHMSA has assessed the effects of the final rule and has determined that its regulatory amendments will not cause unnecessary obstacles to foreign trade.

¹ PHMSA, *Implementing Procedures*, <https://www.phmsa.dot.gov/planning-and-analytics/environmental-analysis-and-compliance/implementing-procedures>.

L. Cybersecurity and Executive Order 14028

E.O. 14028, *Improving the Nation's Cybersecurity*, directs the Federal Government to improve its efforts to identify, to deter, and to respond to “persistent and increasingly sophisticated malicious cyber campaigns.” PHMSA has considered the effects of the final rule and has determined that its regulatory amendments will not materially affect the cybersecurity risk profile for pipeline facilities.

List of Subjects in 49 CFR Part 190

Administrative practice and procedure, Penalties, Pipeline safety.

In consideration of the foregoing, 49 CFR part 190 is amended to read as follows:

PART 190—PIPELINE SAFETY ENFORCEMENT AND REGULATORY PROCEDURES

■ 1. The authority citation for part 190 continues to read as follows:

Authority: 33 U.S.C. 1321(b); 49 U.S.C. 60101 *et seq.*

■ 2. In § 190.208, redesignate paragraphs (a)(3) and (a)(4) as paragraphs (a)(4) and (a)(5) and add paragraph (a)(3) to read as follows:

§ 190.208 Response options.

* * * * *

(a) * * *
(3) Request the execution of a consent order under § 190.219.

* * * * *

■ 3. In § 190.219 revise paragraphs (a) and (b)(3) to read as follows:

§ 190.219 Consent Order.

(a) At any time prior to the resolution of an enforcement proceeding under subpart B of this part, the Regional Director and respondent may agree to resolve the case by execution of a consent agreement and order, which may be jointly executed by the parties and issued by the Associate Administrator. Upon execution, the consent order is considered a final order under § 190.213.

(b) * * *

(3) An acknowledgement that the notice may be used to construe the terms of the consent order; and

* * * * *

Issued in Washington, DC, on April 22, 2026, under authority delegated in 49 CFR 1.97.

Paul J. Roberti,
Administrator.

[FR Doc. 2026–08055 Filed 4–23–26; 8:45 am]

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DEPARTMENT OF TRANSPORTATION

Pipeline and Hazardous Materials Safety Administration

49 CFR Part 190

[Docket No. PHMSA–2026–1536; Amdt. No. 190–24]

RIN 2137–AG40

Pipeline Safety: Interpretation Request Procedures

AGENCY: Pipeline and Hazardous Materials Safety Administration (PHMSA), Department of Transportation (DOT).

ACTION: Final rule.

SUMMARY: PHMSA is amending its procedural regulations to require the posting of requests for regulatory interpretations on its public website and to provide an opportunity for the public to comment.

DATES: Effective on April 24, 2026.

FOR FURTHER INFORMATION CONTACT: Kathleen Maitland, Attorney Advisor, Office of Chief Counsel, Pipeline and Hazardous Materials Safety Administration, U.S. Department of Transportation, 1200 New Jersey Avenue SE, Washington, DC 20590, kathleen.maitland@dot.gov.

SUPPLEMENTARY INFORMATION:

I. Discussion

PHMSA’s procedural regulations at § 190.11 authorize interested stakeholders to submit requests for a written regulatory interpretation, response to a question, or an opinion concerning a pipeline safety matter. However, those regulations do not require PHMSA to follow its recent new practice of posting such requests on its public website and providing the public with an opportunity to submit comments.¹ Section 190.11(a) also refers to an outdated message board that PHMSA no longer maintains.

In this final rule, PHMSA is amending § 190.11 by adding a new paragraph (c) to require the posting of requests for regulatory interpretations on its public website and to provide an opportunity for public comment. Consistent with new practice, paragraph (c) provides that PHMSA’s obligation to consider public comments is discretionary, not mandatory. PHMSA is also amending § 190.11(a) to strike reference to the ability for the public to post messages on the PHMSA website.

¹ PHMSA, Pending Pipeline Interpretations, <https://www.phmsa.dot.gov/standards-rulemaking/pipeline/interpretations/pending-pipeline-interpretations>.

II. Regulatory Analyses and Notices

A. Legal Authority

This final rule is published under the authority of the Secretary of Transportation as set forth in the Federal Pipeline Safety Laws (49 U.S.C. 60101 *et seq.*) and delegated to the PHMSA Administrator pursuant to 49 CFR 1.97. The amendments adopted herein affect provisions in part 190 governing PHMSA’s enforcement procedures and therefore pertain to “rules of agency organization, procedure, or practice” that are being published as a final rule without notice and comment and with an immediate effective date as permitted by 5 U.S.C. § 553(b)(A).

B. Executive Order 12866

E.O. 12866, *Regulatory Planning and Review*, as implemented by DOT Order 2100.6B (“Policies and Procedures for Rulemaking”) and DOT Order 2100.7 (“Ensuring Reliance upon Sound Economic Analysis in Department of Transportation Policies, Programs, and Activities”), require agencies to regulate in the “most cost-effective manner,” to make a “reasoned determination that the benefits of the intended regulation justify its costs,” and to develop regulations that “impose the least burden on society.” In arriving at those conclusions, E.O. 12866 requires that agencies should consider “both quantifiable measures . . . and qualitative measures of costs and benefits that are difficult to quantify” and “maximize net benefits . . . unless a statute requires another regulatory approach.” E.O. 12866 also requires that “agencies should assess all costs and benefits of available regulatory alternatives, including the alternative of not regulating.” DOT Order 2100.6B directs that PHMSA and other Operating Administrations must generally choose the “least costly regulatory alternative that achieves the relevant objectives” unless required by law or compelling safety need. DOT Order 2100.6B also specifies that regulations should generally “not be issued unless their benefits are expected to exceed their costs” except where required by law or compelling safety need. DOT Order 2100.7 requires that “all rulemaking activities shall be based on sound economic principles and analysis supported by rigorous cost-benefit requirement.”

E.O. 12866 and DOT Order 2100.6B also require that PHMSA submit “significant regulatory actions” to the Office of Information and Regulatory Affairs (OIRA) within the Executive Office of the President’s Office of

Management and Budget (OMB) for review. This final rule is a not significant regulatory action pursuant to E.O. 12866; OMB also has not designated this rule as a “major rule” as defined by the Congressional Review Act (5 U.S.C. 801 *et seq.*).

PHMSA has complied with the procedural and analytical requirements in E.O. 12866 as implemented by DOT Order 2100.6B and DOT Order 2100.7. This final rule may result in some cost savings to operators. By engaging the public in the interpretations process, the number of interpretations requested by operators may be reduced. In addition, the clarification the interpretation provides may result in fewer misapplication of the regulations by operators, resulting in fewer enforcement actions. The increased transparency in the interpretation process and inclusion of stakeholder comments for PHMSA’s consideration may increase opportunities for regulatory certainty and deregulation through the issuance of interpretations. PHMSA has determined that the final rule will not have any adverse safety impacts.

C. Executive Orders 14192 and 14219

This final rule is considered a deregulatory action pursuant to E.O. 14192, *Unleashing Prosperity Through Deregulation*. PHMSA estimates that the total costs of the rule on the regulated community will be *de minimis*, as the non-substantive changes of this rulemaking do not impose any new requirements on pipeline operators, and the changes therein should improve the clarity and compliance with PHMSA regulations. Nor does this rule implicate any of the factors identified in section 2(a) of E.O. 14219, *Ensuring Lawful Governance and Implementing the President’s “Department of Government Efficiency” Deregulatory Initiative*, indicative that a regulation is “unlawful . . . [or] that undermine[s] the national interest.”

D. Energy-Related Executive Orders 13211, 14154, and 14156

The President has declared in E.O. 14156, *Declaring a National Energy Emergency*, a National emergency to address America’s inadequate energy development production, transportation, refining, and generation capacity. Similarly, E.O. 14154, *Unleashing American Energy*, asserts a Federal policy to unleash American energy by ensuring access to abundant supplies of reliable, affordable energy from (inter alia) the removal of “undue burden[s]” on the identification, development, or use of domestic energy

resources such as PHMSA-jurisdictional gases and hazardous liquids. PHMSA finds this final rule is consistent with each of E.O. 14156 and E.O. 14154. The final rule amends PHMSA’s procedural regulations related to interpretive assistance requiring PHMSA to post requests for regulatory interpretations on its public website and to provide opportunity for the public to comment. The provisions of this final rule are non-substantive and will not impose new requirements on pipeline operators.

This final rule is not a “significant energy action” under E.O. 13211, *Actions Concerning Regulations That Significantly Affect Energy Supply, Distribution, or Use*, which requires Federal agencies to prepare a Statement of Energy Effects for any “significant energy action.” Because this final rule is not a significant action under E.O. 12866, it will not have a significant adverse effect on supply, distribution, or energy use.

E. Executive Order 13132: Federalism

PHMSA analyzed this final rule in accordance with the principles and criteria contained in E.O. 13132, *Federalism*, and the Presidential Memorandum (“Preemption”) published in the **Federal Register** on May 22, 2009. E.O. 13132 requires agencies to assure meaningful and timely input by State and local officials in the development of regulatory policies that may have “substantial direct effects on the States, on the relationship between the National Government and the States, or on the distribution of power and responsibilities among the various levels of government.”

Because this final rule governs PHMSA’s procedural regulations, it would not impose any regulation that has substantial direct effects on the States, the relationship between the National Government and the States, or the distribution of power and responsibilities among the various levels of government. Therefore, the consultation and funding requirements of E.O. 13132 do not apply.

F. Regulatory Flexibility Act

The Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*) requires Federal agencies to conduct a Final Regulatory Flexibility Analysis (FRFA) for a final rule subject to notice-and-comment rulemaking, unless the agency certifies that the rule will not have a significant economic impact on a substantial number of small entities. The RFA applies only to rules for which an agency is required to first publish a proposed rule (see 5 U.S.C. 603(a) and

604(a)). PHMSA is not required to publish a notice of proposed rulemaking for this final rule, so the RFA does not apply. However, PHMSA expects no affected operators will face significant costs from codifying current interpretation request procedures.

G. Unfunded Mandates Reform Act of 1995

The Unfunded Mandates Reform Act (UMRA, 2 U.S.C. 1501 *et seq.*) requires agencies to assess the effects of Federal regulatory actions on State, local, and Tribal governments, and the private sector. For any proposed or final rule that includes a Federal mandate that may result in the expenditure by State, local, and Tribal governments, in the aggregate of \$100 million or more in 1996 dollars (\$203 million in 2024 dollars) in any given year, the agency must prepare, amongst other things, a written statement that qualitatively and quantitatively assesses the costs and benefits of the Federal mandate.

This final rule does not impose unfunded mandates under UMRA because it does not result in costs of \$100 million or more (in 1996 dollars) per year for either State, local, or Tribal governments, or to the private sector.

H. National Environmental Policy Act

PHMSA has analyzed this rule pursuant to the National Environmental Policy Act (NEPA, 42 U.S.C. 4321 *et seq.*) and has determined it is categorically excluded under 23 CFR 771.117(c)(20), which applies to the promulgation of rules, regulations, and directives. Under section 9 of DOT Order 5610.1D (“DOT’s Procedures for Considering Environmental Impacts”), PHMSA may apply a categorical exclusion (CE) established in another Operating Administration’s procedures. PHMSA followed the requirements outlined in DOT Order 5610.1D to apply a CE issued by the Federal Highway Administration to this deregulatory action. PHMSA does not anticipate any adverse environmental impacts from this rule, and PHMSA has determined no unusual circumstances are present under 23 CFR 771.117(b). PHMSA’s Categorical Exclusion Determination memo for this action is available on PHMSA’s website.²

I. Executive Order 13175

PHMSA analyzed this final rule according to the principles and criteria in E.O. 13175, *Consultation and Coordination with Indian Tribal*

² PHMSA, *Implementing Procedures*, <https://www.phmsa.dot.gov/planning-and-analytics/environmental-analysis-and-compliance/implementing-procedures>.

Governments, and DOT Order 5301.1A (“Department of Transportation Tribal Consultation Policies and Procedures”). E.O. 13175 requires agencies to assure meaningful and timely input from Tribal government representatives in the development of rules that significantly or uniquely affect Tribal communities by imposing “substantial direct compliance costs” or “substantial direct effects” on such communities or the relationship or distribution of power between the Federal government and Tribes.

PHMSA assessed the impact of the final rule and determined that it will not significantly or uniquely affect Tribal communities or Indian Tribal governments. The rulemaking’s procedural amendments have a broad, national scope; therefore, this final rule will not significantly or uniquely affect Tribal communities, much less impose substantial compliance costs on Native American Tribal governments or mandate Tribal action. For these reasons, PHMSA has concluded that the funding and consultation requirements of E.O. 13175 and DOT Order 5301.1A do not apply.

J. Paperwork Reduction Act

The Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*) and its implementing regulations at 5 CFR 1320.8(d) requires that PHMSA provide interested members of the public and affected agencies with an opportunity to comment on information collection and recordkeeping requests. This rulemaking will not create, amend, or rescind any existing information collections.

K. Executive Order 13609 and International Trade Analysis

E.O. 13609, *Promoting International Regulatory Cooperation*, requires agencies consider whether the impacts associated with significant variations between domestic and international regulatory approaches are unnecessary or may impair the ability of American business to export and compete internationally. In meeting shared challenges involving health, safety, labor, security, environmental, and other issues, international regulatory cooperation can identify approaches that are at least as protective as those that are or would be adopted in the absence of such cooperation. International regulatory cooperation can also reduce, eliminate, or prevent unnecessary differences in regulatory requirements.

Similarly, the Trade Agreements Act of 1979 (Pub. L. 96–39), as amended by the Uruguay Round Agreements Act

(Pub. L. 103–465), prohibits Federal agencies from establishing any standards or engaging in related activities that create unnecessary obstacles to the foreign commerce of the United States. For purposes of these requirements, Federal agencies may participate in the establishment of international standards, so long as the standards have a legitimate domestic objective, such as providing for safety, and do not operate to exclude imports that meet this objective. The statute also requires consideration of international standards and, where appropriate, that they be the basis for U.S. standards.

PHMSA engages with international standards setting bodies to protect the safety of the American public. PHMSA has assessed the effects of the final rule and has determined that its regulatory amendments will not cause unnecessary obstacles to foreign trade.

L. Cybersecurity and Executive Order 14028

E.O. 14028, *Improving the Nation’s Cybersecurity*, directs the Federal Government to improve its efforts to identify, deter, and respond to “persistent and increasingly sophisticated malicious cyber campaigns.” PHMSA has considered the effects of the final rule and has determined that its regulatory amendments will not materially affect the cybersecurity risk profile for pipeline facilities.

List of Subjects in 49 CFR Part 190

Administrative practice and procedure, Penalties, Pipeline safety.

In consideration of the foregoing, PHMSA amends 49 CFR part 190 as follows:

PART 190—PIPELINE SAFETY ENFORCEMENT AND REGULATORY PROCEDURES

- 1. The authority citation for part 190 continues to read as follows:

Authority: 33 U.S.C. 1321(b); 49 U.S.C. 60101 *et seq.*

- 2. Amend § 190.11 by revising the third sentence in paragraph (a) and adding paragraph (c) to read as follows:

§ 190.11 Availability of informal guidance and interpretive assistance.

(a) * * * When the lines are not staffed, individuals may leave a recorded voicemail message. * * *

(c) *Public notice of interpretations.* Each request for written interpretation will be made available to the public on the PHMSA website with an

opportunity to submit comment for a period not to exceed 30 days. PHMSA will consider the public comments received and may, in its discretion, respond to any comment. Each final written interpretation will be posted to the PHMSA interpretations website.

Issued in Washington, DC, on April 22, 2026, under authority delegated in 49 CFR 1.97.

Paul J. Roberti,
Administrator.

[FR Doc. 2026–08060 Filed 4–23–26; 8:45 am]

BILLING CODE 4910–60–P

DEPARTMENT OF TRANSPORTATION

Pipeline and Hazardous Materials Safety Administration

49 CFR Parts 190, 192, 193, and 195

[Docket No. PHMSA–2026–1548; Amdt. Nos. 190–28; 192–172; 193–27; 195–128]

RIN 2137–AG52

Pipeline Safety: Editorial Corrections to Telephone and Facsimile Numbers

AGENCY: Pipeline and Hazardous Materials Safety Administration (PHMSA), Department of Transportation (DOT).

ACTION: Final rule.

SUMMARY: This final rule makes editorial corrections to telephone and facsimile numbers listed within the Federal Pipeline Safety Regulations by removing obsolete information.

DATES: This rule is effective August 3, 2026.

FOR FURTHER INFORMATION CONTACT: Angela Hill, Transportation Specialist, 1200 New Jersey Avenue SE, Washington, DC 20590, 202–680–2034, angela.hill@dot.gov.

SUPPLEMENTARY INFORMATION: In this final rule, PHMSA is amending the Federal Pipeline Safety Regulations (49 CFR parts 100–199) to remove obsolete references to telephone and facsimile numbers. The telephone number 202–366–4046 is no longer operable. PHMSA is therefore revising §§ 192.7(a), 193.2013(a)(1)(i), and 195.3(a) to replace that telephone number with 202–366–4595.

PHMSA is also making editorial corrections to the procedural requirements in 49 CFR part 190 to remove the option to submit requests for special permits by facsimile. Specifically, §§ 190.341(b)(1), 190.341(e)(2)(i), and 190.341(h)(1) specify the procedures for applying for a special permit, renewing a special

permit, and requesting an emergency special permit. PHMSA is revising §§ 190.341(b)(1), 190.341(e)(2)(i), and 190.341(h)(1)) to remove the facsimile numbers associated with making those requests. Operators may submit requests for a new special permit, a special permit renewal, or an emergency special permit by email to pipelinespecialpermits@dot.gov or by express mail or overnight courier to the Associate Administrator for Pipeline Safety, Pipeline and Hazardous Materials Safety Administration, 1200 New Jersey Avenue SE, East Building, Washington, DC 20590.

Similarly, PHMSA is revising §§ 192.727(g)(1) and 195.59(a) to remove the facsimile numbers associated with reporting abandoned pipelines and deactivated pipeline facilities. Operators may continue to submit such reports by mail to the Office of Pipeline Safety, Pipeline and Hazardous Materials Safety Administration, U.S. Department of Transportation, Information Resources Manager at 1200 New Jersey Avenue SE, Washington, DC 20590-001 or by email to InformationResourcesManager@dot.gov.

Regulatory Analyses and Notices

A. Legal Authority

This final rule is published under the authority of the Secretary of Transportation set forth in the Federal Pipeline Safety Laws (49 U.S.C. 60101 *et seq.*) and delegated to the PHMSA Administrator pursuant to 49 CFR 1.97. PHMSA has good cause under 5 U.S.C. 553(b)(B) to issue this final rule without prior notice and comment. PHMSA finds that notice and comment is unnecessary because PHMSA is simply revising the requirements to include the option to submit certain requests to PHMSA electronically by email; replace obsolete telephone numbers with an operable telephone number; and remove obsolete facsimile numbers.

B. Executive Order 12866

E.O. 12866, *Regulatory Planning and Review*, as implemented by DOT Order 2100.6B (“Policies and Procedures for Rulemaking”) and DOT Order 2100.7 (“Ensuring Reliance upon Sound Economic Analysis in Department of Transportation Policies, Programs, and Activities”), requires agencies to regulate in the “most cost-effective manner,” to make a “reasoned determination that the benefits of the intended regulation justify its costs,” and to develop regulations that “impose the least burden on society.” In arriving at those conclusions, E.O. 12866 requires that agencies should consider

“both quantifiable measures . . . and qualitative measures of costs and benefits that are difficult to quantify” and “maximize net benefits . . . unless a statute requires another regulatory approach.” E.O. 12866 also requires that “agencies should assess all costs and benefits of available regulatory alternatives, including the alternative of not regulating.” DOT Order 2100.6B directs that PHMSA and other Operating Administrations must generally choose the “least costly regulatory alternative that achieves the relevant objectives” unless required by law or compelling safety need. DOT Order 2100.6B also specifies that regulations should generally “not be issued unless their benefits are expected to exceed their costs.” DOT Order 2100.7 requires that “all rulemaking activities shall be based on sound economic principles and analysis supported by rigorous cost-benefit requirement,” also specifies that regulations should generally “not be issued unless their benefits are expected to exceed their costs” except where required by law or compelling safety need. DOT Order 2100.7 requires that “all rulemaking activities shall be based on sound economic principles and analysis supported by rigorous cost-benefit requirement.”

E.O. 12866 and DOT Order 2100.6B also require that PHMSA submit “significant regulatory actions” to the Office of Information and Regulatory Affairs (OIRA) within the Executive Office of the President’s Office of Management and Budget (OMB) for review. This final rule is a not significant regulatory action pursuant to E.O. 12866; OMB also has not designated this rule as a “major rule” as defined by the Congressional Review Act (5 U.S.C. 801 *et seq.*).

PHMSA has complied with the procedural and analytical requirements in E.O. 12866 as implemented by DOT Order 2100.6B and DOT Order 2100.7. The final rule removes the option for operators to submit requests for special permits by facsimile, and such requests must be exclusively done by email. This final rule does not impose new burdens, as the changes made therein are non-substantive and do not impose new requirements in the Federal Pipeline Safety Regulations. Similarly, the final rule does not have any adverse effects on safety.

C. Executive Orders 14192 and 14219

This final rule is considered a deregulatory action pursuant to E.O. 14192, *Unleashing Prosperity Through Deregulation*. PHMSA estimates that the total costs of the rule on the regulated community will be *de minimis*. The

non-substantive changes of this rulemaking do not impose any new requirements on pipeline operators and should improve the clarity and compliance with the Federal Pipeline Safety Regulations. Nor does this rule implicate any of the factors identified in section 2(a) of E.O. 14219, *Ensuring Lawful Governance and Implementing the President’s “Department of Government Efficiency” Deregulatory Initiative*, indicative that a regulation is “unlawful . . . [or] that undermine[s] the national interest.”

D. Energy-Related Executive Orders 13211, 14154, and 14156

The President has declared in E.O. 14156, *Declaring a National Energy Emergency*, a National emergency to address America’s inadequate energy development production, transportation, refining, and generation capacity. Similarly, E.O. 14154, *Unleashing American Energy*, asserts a Federal policy to unleash American energy by ensuing access to abundant supplies of reliable, affordable energy from (inter alia) the removal of “undue burden[s]” on the identification, development, or use of domestic energy resources such as PHMSA-jurisdictional gases and hazardous liquids. PHMSA finds this final rule is consistent with each of E.O. 14156 and E.O. 14154. The final rule will revise the Pipeline Safety Regulations (49 CFR parts 190–199) to remove erroneous and obsolete telephone and facsimile numbers. The provisions of this final rule are non-substantive and will not impose new requirements on pipeline operators; they are intended to promote the ease of operators complying with the existing regulations.

This final rule is not a “significant energy action” under E.O. 13211, *Actions Concerning Regulations That Significantly Affect Energy Supply, Distribution, or Use*, which requires Federal agencies to prepare a Statement of Energy Effects for any “significant energy action.” Because this final rule is not a significant action under E.O. 12866, it will not have a significant adverse effect on supply, distribution, or energy use.

E. Executive Order 13132: Federalism

PHMSA analyzed this final rule in accordance with the principles and criteria contained in E.O. 13132, *Federalism*, and the Presidential Memorandum (“Preemption”) published in the **Federal Register** on May 22, 2009. E.O. 13132 requires agencies to assure meaningful and timely input by State and local officials in the development of regulatory

policies that may have “substantial direct effects on the States, on the relationship between the National Government and the States, or on the distribution of power and responsibilities among the various levels of government.”

While the final rule may operate to preempt some State requirements, it would not impose any regulation that has substantial direct effects on the States, the relationship between the National Government and the States, or the distribution of power and responsibilities among the various levels of government. Section 60104(c) of the Federal Pipeline Safety Laws prohibits certain State safety regulation of interstate pipelines. Under the Federal Pipeline Safety Laws, States that have submitted a current certification under section 60105(a) can augment Federal pipeline safety requirements for intrastate pipelines regulated by PHMSA but may not approve safety requirements less stringent than those required by Federal law. A State may also regulate an intrastate pipeline facility that PHMSA does not regulate. The preemptive effect of the regulatory amendments in this final rule is limited to the minimum level necessary to achieve the objectives of the Federal Pipeline Safety Laws. Therefore, the consultation and funding requirements of E.O. 13132 do not apply.

F. Regulatory Flexibility Act

The Regulatory Flexibility Act (RFA, 5 U.S.C. 601 *et seq.*) requires Federal agencies to conduct a Final Regulatory Flexibility Analysis (FRFA) for a final rule subject to notice-and-comment rulemaking, unless the agency certifies that the rule will not have a significant economic impact on a substantial number of small entities. The RFA applies only to rules for which an agency is required to first publish a proposed rule (*see* 5 U.S.C. 603(a) and 604(a)). PHMSA is not required to publish a notice of proposed rulemaking for this final rule, so the RFA does not apply. However, PHMSA expects no affected operators will face significant costs from the regulatory amendments introduced here, as they are editorial and non-substantive in nature.

G. Unfunded Mandates Reform Act of 1995

The Unfunded Mandates Reform Act (UMRA, 2 U.S.C. 1501 *et seq.*) requires agencies to assess the effects of Federal regulatory actions on State, local, and Tribal governments, and the private sector. For any proposed or final rule that includes a Federal mandate that may result in the expenditure by State,

local, and Tribal governments, in the aggregate of \$100 million or more in 1996 dollars (\$203 million in 2024) in any given year, the agency must prepare, amongst other things, a written statement that qualitatively and quantitatively assesses the costs and benefits of the Federal mandate.

This final rule does not impose unfunded mandates under UMRA because it does not result in costs of \$100 million or more (in 1996 dollars) per year for either State, local, or Tribal governments, or to the private sector.

H. National Environmental Policy Act

PHMSA has analyzed this rule pursuant to the National Environmental Policy Act (NEPA, 42 U.S.C. 4321 *et seq.*) and has determined it is categorically excluded under 23 CFR 771.117(c)(20), which applies to the promulgation of rules, regulations, and directives. Under section 9 of DOT Order 5610.1D (“DOT’s Procedures for Considering Environmental Impacts”), PHMSA may apply a categorical exclusion established in another Operating Administration’s procedures. PHMSA followed the requirements outlined in DOT Order 5610.1D to apply a categorical exclusion issued by the Federal Highway Administration (FHWA) to this deregulatory action. PHMSA does not anticipate any adverse environmental impacts from this rule, and PHMSA has determined no unusual circumstances are present under 23 CFR 771.117(b). PHMSA’s Categorical Exclusion Determination memo for this action is available on PHMSA’s website.¹

I. Executive Order 13175

PHMSA analyzed this final rule according to the principles and criteria in E.O. 13175, *Consultation and Coordination with Indian Tribal Governments*, and DOT Order 5301.1A (“Department of Transportation Tribal Consultation Policies and Procedures”). E.O. 13175 requires agencies to assure meaningful and timely input from Tribal government representatives in the development of rules that significantly or uniquely affect Tribal communities by imposing “substantial direct compliance costs” or “substantial direct effects” on such communities or the relationship or distribution of power between the Federal Government and Tribes.

PHMSA assessed the impact of the final rule and determined that it will not significantly or uniquely affect Tribal

communities or Indian Tribal governments. The rulemaking’s regulatory amendments have a broad, national scope; therefore, this final rule will not significantly or uniquely affect Tribal communities, much less impose substantial compliance costs on Native American Tribal governments or mandate Tribal action. For these reasons, PHMSA has concluded that the funding and consultation requirements of E.O. 13175 and DOT Order 5301.1A do not apply.

J. Paperwork Reduction Act

The Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*) and its implementing regulations at 5 CFR 1320.8(d) requires that PHMSA provide interested members of the public and affected agencies with an opportunity to comment on information collection and recordkeeping requests. This rulemaking will not create, amend, or rescind any existing information collections.

K. Executive Order 13609 and International Trade Analysis

E.O. 13609, *Promoting International Regulatory Cooperation*, requires agencies consider whether the impacts associated with significant variations between domestic and international regulatory approaches are unnecessary or may impair the ability of American business to export and compete internationally. In meeting shared challenges involving health, safety, labor, security, environmental, and other issues, international regulatory cooperation can identify approaches that are at least as protective as those that are or would be adopted in the absence of such cooperation. International regulatory cooperation can also reduce, eliminate, or prevent unnecessary differences in regulatory requirements.

Similarly, the Trade Agreements Act of 1979 (Pub. L. 96–39), as amended by the Uruguay Round Agreements Act (Pub. L. 103–465), prohibits Federal agencies from establishing any standards or engaging in related activities that create unnecessary obstacles to the foreign commerce of the United States. For purposes of these requirements, Federal agencies may participate in the establishment of international standards, so long as the standards have a legitimate domestic objective, such as providing for safety, and do not operate to exclude imports that meet this objective. The statute also requires consideration of international standards and, where appropriate, that they be the basis for U.S. standards.

¹ PHMSA, Implementing Procedures, <https://www.phmsa.dot.gov/planning-and-analysis-and-compliance/implementing-procedures>.

PHMSA engages with international standards setting bodies to protect the safety of the American public. PHMSA has assessed the effects of the final rule and has determined that its regulatory amendments will not cause unnecessary obstacles to foreign trade.

L. Cybersecurity and Executive Order 14028

E.O. 14028, *Improving the Nation's Cybersecurity*, directs the Federal Government to improve its efforts to identify, deter, and respond to "persistent and increasingly sophisticated malicious cyber campaigns." PHMSA has considered the effects of the final rule and has determined that its regulatory amendments will not materially affect the cybersecurity risk profile for pipeline facilities.

List of Subjects

49 CFR Part 190

Natural gas, Procedures, Pipeline safety.

49 CFR Part 192

Natural gas, Pipeline safety.

49 CFR Part 193

Liquefied natural gas, Pipeline safety.

49 CFR Part 195

Hazardous liquid, Pipeline safety.

For the reasons set forth above, PHMSA amends 49 CFR parts 190, 192, 193, and 195 as follows:

PART 190—PIPELINE SAFETY ENFORCEMENT AND REGULATORY PROCEDURES

- 1. The authority citation for 49 CFR part 190 continues to read as follows:

Authority: 33 U.S.C. 1321(b), 49 U.S.C. 60101 *et seq.*

- 2. In § 190.341, revise paragraphs (b)(1) and (2), (e)(2)(i), and (h)(1) and (2) to read as follows:

§ 190.341 Special permits.

* * * * *

(b) * * *

(1) Mail, express mail, or overnight courier to the Associate Administrator for Pipeline Safety, Pipeline and Hazardous Materials Safety Administration, 1200 New Jersey Avenue SE, East Building, Washington, DC 20590.; or

(2) Electronically by email to: pipelinespecialpermits@dot.gov.

* * * * *

(e) * * *

(2) * * *

(i) Electronically to PHMSA by email at: pipelinespecialpermits@dot.gov; or

* * * * *

(h) * * *

(1) Electronically by email to: phmsa.pipeline-emergencyspecpermit@dot.gov;

(2) Express mail/overnight courier to the Associate Administrator for Pipeline Safety, Pipeline and Hazardous Materials Safety Administration, 1200 New Jersey Avenue SE, East Building, Washington, DC 20590.

* * * * *

PART 192—TRANSPORTATION OF NATURAL AND OTHER GAS BY PIPELINE: MINIMUM FEDERAL SAFETY STANDARDS

- 3. The authority citation for 49 CFR part 192 continues to read as follows:

Authority: 30 U.S.C. 185(w)(3), 49 U.S.C. 5103, 60101 *et seq.*, and 49 CFR 1.97.

- 4. In § 192.7, revise paragraph (a) as follows:

§ 192.7 What documents are incorporated by reference partly or wholly in this part?

(a) Certain material is incorporated by reference into this part with the approval of the Director of the Federal Register under 5 U.S.C. 552(a) and 1 CFR part 51. All approved incorporation by reference (IBR) material is available for inspection at the Pipeline and Hazardous Materials Safety Administration (PHMSA) and the National Archives and Records Administration (NARA). Contact PHMSA at: Office of Pipeline Safety, Pipeline and Hazardous Materials Safety Administration, 1200 New Jersey Avenue SE, Washington, DC 20590; 202-366-4595; www.phmsa.dot.gov/pipeline/regs. For information on the availability of this material at NARA, visit www.archives.gov/federal-register/cfr/ibr-locations.html or email fr.inspection@nara.gov. It is also available from the sources in the following paragraphs of this section.

* * * * *

- 5. In § 192.727, revise paragraph (g)(1) as follows:

§ 192.727 Abandonment or deactivation of facilities.

* * * * *

(g) * * *

(1) The preferred method to submit data on pipeline facilities abandoned after October 10, 2000, is to the National Pipeline Mapping System (NPMS) in accordance with the NPMS "Standards for Pipeline and Liquefied Natural Gas Operator Submissions." To obtain a copy of the NPMS Standards, please

refer to the NPMS homepage at www.npms.phmsa.dot.gov. A digital data format is preferred, but hard copy submissions are acceptable if they comply with the NPMS Standards. In addition to the NPMS-required attributes, operators must submit the date of abandonment, diameter, method of abandonment, and certification that, to the best of the operator's knowledge, all of the reasonably available information requested was provided and, to the best of the operator's knowledge, the abandonment was completed in accordance with applicable laws. Refer to the NPMS Standards for details in preparing your data for submission. The NPMS Standards also include details of how to submit data. Alternatively, operators may submit reports by mail to the Office of Pipeline Safety, Pipeline and Hazardous Materials Safety Administration, U.S. Department of Transportation, Information Resources Manager, PHP-10, 1200 New Jersey Avenue SE, Washington, DC 20590-0001 or by email to InformationResourcesManager@dot.gov. The information in the report must contain all reasonably available information related to the facility, including information in the possession of a third party. The report must contain the location, size, date, method of abandonment, and a certification that the facility has been abandoned in accordance with all applicable laws.

* * * * *

PART 193—LIQUEFIED NATURAL GAS FACILITIES: FEDERAL SAFETY STANDARDS

- 6. The authority citation for 49 CFR part 193 continues to read as follows:

Authority: 49 U.S.C. 5103, 60102, 60103, 60104, 60108, 60109, 60110, 60113, 60118, and 49 CFR 1.53.

- 7. In § 193.2013, revise paragraph (a)(1)(i) as follows:

§ 193.2013 What documents are incorporated by reference partly or wholly in this part?

(a) * * *

(1) * * *

(i) The Office of Pipeline Safety, Pipeline and Hazardous Materials Safety Administration, 1200 New Jersey Avenue SE, Washington, DC 20590. For more information contact 202-366-4595 or go to the PHMSA website at: <http://www.phmsa.dot.gov/pipeline/regs>.

* * * * *

**PART 195—TRANSPORTATION OF
HAZARDOUS LIQUIDS BY PIPELINE**

■ 8. The authority citation for 49 CFR part 195 continues to read as follows:

Authority: 30 U.S.C. 185(w)(3), 49 U.S.C. 5103, 60101 *et seq.*, and 49 CFR 1.97.

■ 9. In § 195.3, revise paragraph (a) to read as follows:

§ 195.3 What documents are incorporated by reference partly or wholly in this part?

(a) Certain material is incorporated by reference into this part with the approval of the Director of the **Federal Register** under 5 U.S.C. 552(a) and 1 CFR part 51. All approved incorporation by reference (IBR) material is available for inspection at the Pipeline and Hazardous Materials Safety Administration (PHMSA) and at the National Archives and Records Administration (NARA). Contact PHMSA at: Office of Pipeline Safety, Pipeline and Hazardous Materials Safety Administration, 1200 New Jersey Avenue SE, Washington, DC 20590; 202–366–4595; www.phmsa.dot.gov/pipeline/regs. For information on inspecting this material at NARA, visit www.archives.gov/federal-register/cfr/ibr-locations.html or email fr.inspection@nara.gov. It is also available from the sources in the following paragraphs of this section.

* * * * *

■ 12. In § 195.59, revise paragraph (a) to read as follows:

§ 195.59 Abandonment or deactivation of facilities.

* * * * *

(a) The preferred method to submit data on pipeline facilities abandoned after October 10, 2000, is to the National Pipeline Mapping System (NPMS) in accordance with the NPMS “Standards for Pipeline and Liquefied Natural Gas Operator Submissions.” To obtain a copy of the NPMS standards, please refer to the NPMS homepage at <https://www.npms.phmsa.dot.gov>. A digital data format is preferred, but hard copy submissions are acceptable if they comply with the NPMS Standards. In addition to the NPMS-required attributes, operators must submit the date of abandonment, diameter, method of abandonment, and certification that, to the best of the operator’s knowledge, all of the reasonably available information requested was provided and, to the best of the operator’s knowledge, the abandonment was completed in accordance with applicable laws. Refer to the NPMS Standards for details in preparing your data for submission. The NPMS

Standards also include details of how to submit data. Alternatively, operators may submit reports by mail to the Office of Pipeline Safety, Pipeline and Hazardous Materials Safety Administration, U.S. Department of Transportation, Information Resources Manager, PHP–10, 1200 New Jersey Avenue SE, Washington, DC 20590–0001 or by email to:

InformationResourcesManager@dot.gov.

The information in the report must contain all reasonably available information related to the facility, including information in the possession of a third party. The report must contain the location, size, date, method of abandonment, and a certification that the facility has been abandoned in accordance with all applicable laws.

* * * * *

Issued in Washington, DC, on April 22, 2026, under the authority delegated in 49 CFR 1.97.

Paul J. Roberti,

Administrator.

[FR Doc. 2026–08066 Filed 4–23–26; 8:45 am]

BILLING CODE 4910–60–P

DEPARTMENT OF TRANSPORTATION**Pipeline and Hazardous Materials
Safety Administration****49 CFR Part 191**

[Docket No. PHMSA–2026–1540; Amdt. No. 191–38]

RIN 2137–AG44

**Pipeline Safety: Clarification of
Incident Reporting Requirements for
Gas Pipeline Facilities**

AGENCY: Pipeline and Hazardous Materials Safety Administration (PHMSA), Department of Transportation (DOT).

ACTION: Final rule.

SUMMARY: This final rule makes certain non-substantive changes to the incident reporting requirements for gas pipeline facilities.

DATES: This rule is effective on August 3, 2026.

FOR FURTHER INFORMATION CONTACT: Angela Hill, Transportation Specialist, 1200 New Jersey Avenue SE, Washington, DC 20590, 202–680–2034, angela.hill@dot.gov.

SUPPLEMENTARY INFORMATION: In this final rule, PHMSA is making certain non-substantive changes to the incident reporting requirements for gas pipeline facilities in the Federal Pipeline Safety Regulations (49 CFR parts 190–199).

Specifically, § 191.5 requires operators of gas pipeline facilities to provide immediate notice of certain incidents to the National Response Center (NRC) either by telephone or electronically. The NRC no longer allows operators to provide electronic incident notifications. PHMSA is therefore revising § 191.5(b) to remove all references to electronic NRC submissions. Operators must provide notices of incidents to the NRC by telephone to 800–424–8802 or, in Washington, DC, to 202–267–2675. This correction will remove unnecessary delays in the process of operators reporting incidents to the NRC.

Regulatory Analyses and Notices**A. Legal Authority**

This final rule is published under the authority of the Secretary of Transportation as set forth in the Federal Pipeline Safety Laws (49 U.S.C. 60101 *et seq.*) and delegated to the PHMSA Administrator pursuant to 49 CFR 1.97. PHMSA has good cause under 5 U.S.C. 553(b)(B) to issue this final rule without prior notice and comment. The NRC no longer accepts electronic notifications, and PHMSA is simply revising the incident reporting requirements in § 191.5(b) to account for that fact. PHMSA finds that notice and comment is unnecessary because the electronic notification provision in § 191.5(b) is obsolete and serves no useful purpose.

B. Executive Order 12866

E.O. 12866, *Regulatory Planning and Review*, as implemented by DOT Order 2100.6B (“Policies and Procedures for Rulemaking”) and DOT Order 2100.7 (“Ensuring Reliance upon Sound Economic Analysis in Department of Transportation Policies, Programs, and Activities”), requires agencies to regulate in the “most cost-effective manner,” to make a “reasoned determination that the benefits of the intended regulation justify its costs,” and to develop regulations that “impose the least burden on society.” In arriving at those conclusions, E.O. 12866 requires that agencies should consider “both quantifiable measures . . . and qualitative measures of costs and benefits that are difficult to quantify” and “maximize net benefits . . . unless a statute requires another regulatory approach.” E.O. 12866 also requires that “agencies should assess all costs and benefits of available regulatory alternatives, including the alternative of not regulating.” DOT Order 2100.6B directs that PHMSA and other Operating Administrations must generally choose

the “least costly regulatory alternative that achieves the relevant objectives” unless required by law or compelling safety need. DOT Order 2100.6B also specifies that regulations should generally “not be issued unless their benefits are expected to exceed their costs” except where required by law or compelling safety need. DOT Order 2100.7 requires that “all rulemaking activities shall be based on sound economic principles and analysis supported by rigorous cost-benefit requirement.”

E.O. 12866 and DOT Order 2100.6B also require that PHMSA submit “significant regulatory actions” to the Office of Information and Regulatory Affairs (OIRA) within the Executive Office of the President’s Office of Management and Budget (OMB) for review. This final rule is a not significant regulatory action pursuant to E.O. 12866; OMB also has not designated this rule as a “major rule” as defined by the Congressional Review Act (5 U.S.C. 801 *et seq.*).

PHMSA has complied with the procedural and analytical requirements in E.O. 12866 as implemented by DOT Order 2100.6B and DOT Order 2100.7. This final rule does not impose new burdens. The changes made are not substantive in nature and do not impose new requirements in the Federal Pipeline Safety Regulations. Similarly, the final rule does not have any adverse effects on safety.

C. Executive Orders 14192 and 14219

This final rule is considered a deregulatory action pursuant to E.O. 14192, *Unleashing Prosperity Through Deregulation*. PHMSA estimates that the total costs of the rule on the regulated community will be *de minimis*. The non-substantive changes of this rulemaking do not impose any new requirements on pipeline operators and should improve the clarity and compliance with the Federal Pipeline Safety Regulations. Nor does this rule implicate any of the factors identified in section 2(a) of E.O. 14219, *Ensuring Lawful Governance and Implementing the President’s “Department of Government Efficiency” Deregulatory Initiative*, indicative that a regulation is “unlawful . . . [or] that undermine[s] the national interest.”

D. Energy-Related Executive Orders 13211, 14154, and 14156

The President has declared in E.O. 14156, *Declaring a National Energy Emergency*, a National emergency to address America’s inadequate energy development production, transportation, refining, and generation

capacity. Similarly, E.O. 14154, *Unleashing American Energy*, asserts a Federal policy to unleash American energy by ensuring access to abundant supplies of reliable, affordable energy from (inter alia) the removal of “undue burden[s]” on the identification, development, or use of domestic energy resources such as PHMSA-jurisdictional gases and hazardous liquids. PHMSA finds this final rule is consistent with each of E.O. 14156 and E.O. 14154. The final rule will clarify how to make immediate notice of incidents to the NRC by removing erroneous and obsolete references to electronic submissions. The provisions of this final rule are not substantive and will not impose new requirements on pipeline operators; they are intended to promote the ease of operators complying with the existing regulations.

This final rule is not a “significant energy action” under E.O. 13211, *Actions Concerning Regulations That Significantly Affect Energy Supply, Distribution, or Use*, which requires Federal agencies to prepare a Statement of Energy Effects for any “significant energy action.” Because this final rule is not a significant action under E.O. 12866, it will not have a significant adverse effect on supply, distribution, or energy use.

E. Executive Order 13132: Federalism

PHMSA analyzed this final rule in accordance with the principles and criteria contained in E.O. 13132, *Federalism*, and the Presidential Memorandum “Preemption” published in the **Federal Register** on May 22, 2009. E.O. 13132 requires agencies to assure meaningful and timely input by State and local officials in the development of regulatory policies that may have “substantial direct effects on the States, on the relationship between the National Government and the States, or on the distribution of power and responsibilities among the various levels of government.”

While the final rule may operate to preempt some State requirements, it would not impose any regulation that has substantial direct effects on the States, the relationship between the National Government and the States, or the distribution of power and responsibilities among the various levels of government. Section 60104(c) of the Federal Pipeline Safety Laws prohibits certain State safety regulation of interstate pipelines. Under the Federal Pipeline Safety Laws, States that have submitted a current certification under section 60105(a) can augment Federal pipeline safety requirements for intrastate pipelines regulated by

PHMSA but may not approve safety requirements less stringent than those required by Federal law. A State may also regulate an intrastate pipeline facility that PHMSA does not regulate. The preemptive effect of the regulatory amendments in this final rule is limited to the minimum level necessary to achieve the objectives of the Federal Pipeline Safety Laws. Therefore, the consultation and funding requirements of E.O. 13132 do not apply.

F. Regulatory Flexibility Act

The Regulatory Flexibility Act (RFA, 5 U.S.C. 601 *et seq.*) requires Federal agencies to conduct a Final Regulatory Flexibility Analysis (FRFA) for a final rule subject to notice-and-comment rulemaking, unless the agency certifies that the rule will not have a significant economic impact on a substantial number of small entities. The RFA applies only to rules for which an agency is required to first publish a proposed rule (see 5 U.S.C. 603(a) and 604(a)). PHMSA is not required to publish a notice of proposed rulemaking for this final rule, so the RFA does not apply. However, PHMSA expects this final rule to reduce burdens and provide regulatory certainty for operators by ensuring that PHMSA regulations reflect existing practice that electronic incident notifications are not accepted by the NRC. Further, the regulatory amendments introduced here do not impose additional burdens on any operator.

G. Unfunded Mandates Reform Act of 1995

The Unfunded Mandates Reform Act (UMRA, 2 U.S.C. 1501 *et seq.*) requires agencies to assess the effects of Federal regulatory actions on State, local, and Tribal governments, and the private sector. For any proposed or final rule that includes a Federal mandate that may result in the expenditure by State, local, and Tribal governments, in the aggregate of \$100 million or more in 1996 dollars (\$203 million in 2024) in any given year, the agency must prepare, amongst other things, a written statement that qualitatively and quantitatively assesses the costs and benefits of the Federal mandate.

This final rule does not impose unfunded mandates under UMRA because it does not result in costs of \$100 million or more (in 1996 dollars) per year for either State, local, or Tribal governments, or to the private sector.

H. National Environmental Policy Act

PHMSA has analyzed this rule pursuant to the National Environmental Policy Act (NEPA, 42 U.S.C. 4321 *et*

seq.) and has determined it is categorically excluded under 23 CFR 771.117(c)(20), which applies to the promulgation of rules, regulations, and directives. Under section 9 of DOT Order 5610.1D (“DOT’s Procedures for Considering Environmental Impacts”), PHMSA may apply a categorical exclusion established in another Operating Administration’s procedures. PHMSA followed the requirements outlined in DOT Order 5610.1D to apply a categorical exclusion issued by the Federal Highway Administration (FHWA) to this deregulatory action. PHMSA does not anticipate any adverse environmental impacts from this rule, and PHMSA has determined no unusual circumstances are present under 23 CFR 771.117(b). PHMSA’s Categorical Exclusion Determination memo for this action is available on PHMSA’s website.¹

I. Executive Order 13175

PHMSA analyzed this final rule according to the principles and criteria in E.O. 13175, *Consultation and Coordination with Indian Tribal Governments*, and DOT Order 5301.1A (“Department of Transportation Tribal Consultation Policies and Procedures”). E.O. 13175 requires agencies to assure meaningful and timely input from Tribal government representatives in the development of rules that significantly or uniquely affect Tribal communities by imposing “substantial direct compliance costs” or “substantial direct effects” on such communities or the relationship or distribution of power between the Federal Government and Tribes.

PHMSA assessed the impact of the final rule and determined that it will not significantly or uniquely affect Tribal communities or Indian Tribal governments. The rulemaking’s regulatory amendments have a broad, national scope; therefore, this final rule will not significantly or uniquely affect Tribal communities, much less impose substantial compliance costs on Native American Tribal governments or mandate Tribal action. For these reasons, PHMSA has concluded that the funding and consultation requirements of E.O. 13175 and DOT Order 5301.1A do not apply.

J. Paperwork Reduction Act

The Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*) and its implementing regulations at 5 CFR 1320.8(d) requires that PHMSA provide

interested members of the public and affected agencies with an opportunity to comment on information collection and recordkeeping requests. This rulemaking will amend the instructions for notifying the NRC in the event of certain incidents. Accordingly, PHMSA intends to request a revision to the information collection under OMB Control Number 2137–0635.

K. Executive Order 13609 and International Trade Analysis

E.O. 13609, *Promoting International Regulatory Cooperation*, requires agencies consider whether the impacts associated with significant variations between domestic and international regulatory approaches are unnecessary or may impair the ability of American business to export and compete internationally. In meeting shared challenges involving health, safety, labor, security, environmental, and other issues, international regulatory cooperation can identify approaches that are at least as protective as those that are or would be adopted in the absence of such cooperation. International regulatory cooperation can also reduce, eliminate, or prevent unnecessary differences in regulatory requirements.

Similarly, the Trade Agreements Act of 1979 (Pub. L. 96–39), as amended by the Uruguay Round Agreements Act (Pub. L. 103–465), prohibits Federal agencies from establishing any standards or engaging in related activities that create unnecessary obstacles to the foreign commerce of the United States. For purposes of these requirements, Federal agencies may participate in the establishment of international standards, so long as the standards have a legitimate domestic objective, such as providing for safety, and do not operate to exclude imports that meet this objective. The statute also requires consideration of international standards and, where appropriate, that they be the basis for U.S. standards.

PHMSA engages with international standards setting bodies to protect the safety of the American public. PHMSA has assessed the effects of the final rule and has determined that its regulatory amendments will not cause unnecessary obstacles to foreign trade.

L. Cybersecurity and Executive Order 14028

E.O. 14028, *Improving the Nation’s Cybersecurity*, directs the Federal Government to improve its efforts to identify, deter, and respond to “persistent and increasingly sophisticated malicious cyber campaigns.” PHMSA has considered the

effects of the final rule and has determined that its regulatory amendments will not materially affect the cybersecurity risk profile for pipeline facilities.

List of Subjects in 49 CFR Part 191

Natural gas, Pipeline safety.

In consideration of the foregoing, PHMSA amends 49 CFR part 191 as follows:

PART 191—TRANSPORTATION OF NATURAL AND OTHER GAS BY PIPELINE; ANNUAL, INCIDENT, AND OTHER REPORTING

■ 1. The authority citation for 49 CFR part 191 continues to read as follows:

Authority: 30 U.S.C. 185(w)(3), 49 U.S.C. 5121, 60101 *et seq.*, and 49 CFR 1.97.

■ 2. In § 191.5, revise the introductory text of paragraph (b) to read as follows:

§ 191.5 Immediate notice of certain incidents.

* * * * *

(b) Each notice required by paragraph (a) of this section must be made to the National Response Center by telephone to 800–424–8802 (in Washington, DC, 202–267–2675) and must include the following information:

* * * * *

Issued in Washington, DC, on April 22, 2026, under the authority delegated in 49 CFR 1.97.

Paul J. Roberti,

Administrator.

[FR Doc. 2026–08057 Filed 4–23–26; 8:45 am]

BILLING CODE 4910–60–P

DEPARTMENT OF TRANSPORTATION

Pipeline and Hazardous Materials Safety Administration

49 CFR Part 191

[Docket No. PHMSA–2026–1542; Amdt. No. 191–39]

RIN 2137–AG46

Pipeline Safety: Removing Obsolete Provision in Safety-Related Condition Reporting Requirements

AGENCY: Pipeline and Hazardous Materials Safety Administration (PHMSA), Department of Transportation (DOT).

ACTION: Final rule.

SUMMARY: This final rule removes an obsolete provision from the safety-related condition reporting requirements in 49 CFR 191.25.

DATES: Effective on August 3, 2026.

¹ PHMSA, *Implementing Procedures*, <https://www.phmsa.dot.gov/planning-and-analytics/environmental-analysis-and-compliance/implementing-procedures>.

FOR FURTHER INFORMATION CONTACT:

Angela Hill, Transportation Specialist,
1200 New Jersey Avenue SE,
Washington, DC 20590, 202–680–2034,
angela.hill@dot.gov.

SUPPLEMENTARY INFORMATION: In this final rule, PHMSA is removing an obsolete provision from the safety-related condition reporting requirements in § 191.25. Specifically, § 191.25(c) gives operators the option to file a safety-related condition report by email or by facsimile. PHMSA no longer allows operators to file a safety-related condition report by facsimile. PHMSA is therefore revising § 191.25(c) to remove all references to filing a safety-related condition report by facsimile. Safety-related condition reports must be filed by email to

InformationResourcesManager@dot.gov. This correction will remove unnecessary delays in the process of operators filing a safety-related condition report.

Regulatory Analyses and Notices:*A. Legal Authority*

This final rule is published under the authority of the Secretary of Transportation set forth in the Federal Pipeline Safety Laws (49 U.S.C. 60101 *et seq.*) and delegated to the PHMSA Administrator pursuant to 49 CFR 1.97. PHMSA has good cause under 5 U.S.C. 553(b)(B) to issue this final rule without prior notice and comment. PHMSA no longer accepts safety-related condition reports by facsimile and is simply revising the safety-related condition reporting requirements in § 191.25(c) to account for that fact. PHMSA finds that notice and comment is unnecessary because the facsimile number in § 191.25(c) is obsolete and serves no useful purpose.

B. Executive Order 12866

E.O. 12866, *Regulatory Planning and Review*, as implemented by DOT Order 2100.6B (“Policies and Procedures for Rulemaking”) and DOT Order 2100.7 (“Ensuring Reliance upon Sound Economic Analysis in Department of Transportation Policies, Programs, and Activities”), requires agencies to regulate in the “most cost-effective manner,” to make a “reasoned determination that the benefits of the intended regulation justify its costs,” and to develop regulations that “impose the least burden on society.” In arriving at those conclusions, E.O. 12866 requires that agencies should consider “both quantifiable measures . . . and qualitative measures of costs and benefits that are difficult to quantify” and “maximize net benefits . . . unless

a statute requires another regulatory approach.” E.O. 12866 also requires that “agencies should assess all costs and benefits of available regulatory alternatives, including the alternative of not regulating.” DOT Order 2100.6B directs that PHMSA and other Operating Administrations must generally choose the “least costly regulatory alternative that achieves the relevant objectives” unless required by law or compelling safety need. DOT Order 2100.6B also specifies that regulations should generally “not be issued unless their benefits are expected to exceed their costs” except where required by law or compelling safety need. DOT Order 2100.7 requires that “all rulemaking activities shall be based on sound economic principles and analysis supported by rigorous cost-benefit requirement.”

E.O. 12866 and DOT Order 2100.6B also require that PHMSA submit “significant regulatory actions” to the Office of Information and Regulatory Affairs (OIRA) within the Executive Office of the President’s Office of Management and Budget (OMB) for review. This final rule is a not significant regulatory action pursuant to E.O. 12866; OMB also has not designated this rule as a “major rule” as defined by the Congressional Review Act (5 U.S.C. 801 *et seq.*).

PHMSA has complied with the procedural and analytical requirements in E.O. 12866 as implemented by DOT Order 2100.6B and DOT Order 2100.7. This final rule does not impose new burdens, as the changes made therein are non-substantive and do not impose new requirements in the Federal Pipeline Safety Regulations. Similarly, the final rule does not have any adverse effects on safety.

C. Executive Orders 14192 and 14219

This final rule is considered a deregulatory action pursuant to E.O. 14192, *Unleashing Prosperity Through Deregulation*. PHMSA estimates that the total costs of the rule on the regulated community will be *de minimis*. This final rule requires operators to file a safety-related condition exclusively by email. The non-substantive changes of this rulemaking do not impose any new requirements on pipeline operators and should improve the clarity and compliance with the Federal Pipeline Safety Regulations. Nor does this rule implicate any of the factors identified in section 2(a) of E.O. 14219, *Ensuring Lawful Governance and Implementing the President’s “Department of Government Efficiency” Deregulatory Initiative*, indicative that a regulation is

“unlawful . . . [or] that undermine[s] the national interest.”

D. Energy-Related Executive Orders 13211, 14154, and 14156

The President has declared in E.O. 14156, *Declaring a National Energy Emergency*, a National emergency to address America’s inadequate energy development production, transportation, refining, and generation capacity. Similarly, E.O. 14154, *Unleashing American Energy*, asserts a Federal policy to unleash American energy by ensuing access to abundant supplies of reliable, affordable energy from (inter alia) the removal of “undue burden[s]” on the identification, development, or use of domestic energy resources such as PHMSA-jurisdictional gases and hazardous liquids. PHMSA finds this final rule is consistent with each of E.O. 14156 and E.O. 14154. The final rule will clarify how to file a safety-related condition report in accordance with § 191.25 by removing language pertaining to filing safety-related condition reports by facsimile. The provisions of this final rule are non-substantive and will not impose new requirements on pipeline operators; they are intended to promote the ease of operators complying with the existing regulations.

This final rule is not a “significant energy action” under E.O. 13211, *Actions Concerning Regulations That Significantly Affect Energy Supply, Distribution, or Use*, which requires Federal agencies to prepare a Statement of Energy Effects for any “significant energy action.” Because this final rule is not a significant action under E.O. 12866, it will not have a significant adverse effect on supply, distribution, or energy use.

E. Executive Order 13132: Federalism

PHMSA analyzed this final rule in accordance with the principles and criteria contained in E.O. 13132, *Federalism*, and the Presidential Memorandum (“Preemption”) published in the **Federal Register** on May 22, 2009. E.O. 13132 requires agencies to assure meaningful and timely input by State and local officials in the development of regulatory policies that may have “substantial direct effects on the States, on the relationship between the National Government and the States, or on the distribution of power and responsibilities among the various levels of government.”

While the final rule may operate to preempt some State requirements, it would not impose any regulation that has substantial direct effects on the

States, the relationship between the National Government and the States, or the distribution of power and responsibilities among the various levels of government. Section 60104(c) of the Federal Pipeline Safety Laws prohibits certain State safety regulation of interstate pipelines. Under the Federal Pipeline Safety Laws, States that have submitted a current certification under section 60105(a) can augment Federal pipeline safety requirements for intrastate pipelines regulated by PHMSA but may not approve safety requirements less stringent than those required by Federal law. A State may also regulate an intrastate pipeline facility that PHMSA does not regulate. The preemptive effect of the regulatory amendments in this final rule is limited to the minimum level necessary to achieve the objectives of the Federal Pipeline Safety Laws. Therefore, the consultation and funding requirements of E.O. 13132 do not apply.

F. Regulatory Flexibility Act

The Regulatory Flexibility Act (RFA, 5 U.S.C. 601 *et seq.*) requires Federal agencies to conduct a Final Regulatory Flexibility Analysis (FRFA) for a final rule subject to notice-and-comment rulemaking, unless the agency certifies that the rule will not have a significant economic impact on a substantial number of small entities. The RFA applies only to rules for which an agency is required to first publish a proposed rule (*see* 5 U.S.C. 603(a) and 604(a)). PHMSA is not required to publish a notice of proposed rulemaking for this final rule, so the RFA does not apply. However, PHMSA expects the regulatory amendments introduced here will reduce burdens and provide regulatory certainty for operators by clarifying that PHMSA does not accept facsimiles for safety-related condition reporting, consistent with its experience operators prefer to submit such reporting by email. Further, these changes are not expected to impose additional burdens on any operator.

G. Unfunded Mandates Reform Act of 1995

The Unfunded Mandates Reform Act (UMRA, 2 U.S.C. 1501 *et seq.*) requires agencies to assess the effects of Federal regulatory actions on State, local, and Tribal governments, and the private sector. For any proposed or final rule that includes a Federal mandate that may result in the expenditure by State, local, and Tribal governments, in the aggregate of \$100 million or more in 1996 dollars (\$203 million in 2024) in any given year, the agency must prepare, amongst other things, a written

statement that qualitatively and quantitatively assesses the costs and benefits of the Federal mandate.

This final rule does not impose unfunded mandates under UMRA because it does not result in costs of \$100 million or more (in 1996 dollars) per year for either State, local, or Tribal governments, or to the private sector.

H. National Environmental Policy Act

PHMSA has analyzed this rule pursuant to the National Environmental Policy Act (NEPA; 42 U.S.C. 4321 *et seq.*) and has determined it is categorically excluded under 23 CFR 771.117(c)(20), which applies to the promulgation of rules, regulations, and directives. Under section 9 of DOT Order 5610.1D, PHMSA may apply a categorical exclusion established in another Operating Administration's procedures. PHMSA followed the requirements outlined in DOT Order 5610.1D to apply a categorical exclusion issued by the Federal Highway Administration (FHWA) to this deregulatory action. PHMSA does not anticipate any adverse environmental impacts from this rule, and PHMSA has determined no unusual circumstances are present under 23 CFR 771.117(b). PHMSA's Categorical Exclusion Determination memo for this action is available on PHMSA's website.¹

I. Executive Order 13175

PHMSA analyzed this final rule according to the principles and criteria in E.O. 13175, *Consultation and Coordination with Indian Tribal Governments*, and DOT Order 5301.1A ("Department of Transportation Tribal Consultation Policies and Procedures"). E.O. 13175 requires agencies to assure meaningful and timely input from Tribal government representatives in the development of rules that significantly or uniquely affect Tribal communities by imposing "substantial direct compliance costs" or "substantial direct effects" on such communities or the relationship or distribution of power between the Federal Government and Tribes.

PHMSA assessed the impact of the final rule and determined that it will not significantly or uniquely affect Tribal communities or Indian Tribal governments. The rulemaking's regulatory amendments have a broad, national scope; therefore, this final rule will not significantly or uniquely affect Tribal communities, much less impose substantial compliance costs on Native

American Tribal governments or mandate Tribal action. For these reasons, PHMSA has concluded that the funding and consultation requirements of E.O. 13175 and DOT Order 5301.1A do not apply.

J. Paperwork Reduction Act

The Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*) and its implementing regulations at 5 CFR 1320.8(d) requires that PHMSA provide interested members of the public and affected agencies with an opportunity to comment on information collection and recordkeeping requests. This rulemaking will not create, amend, or rescind any existing information collections.

K. Executive Order 13609 and International Trade Analysis

E.O. 13609, *Promoting International Regulatory Cooperation*, requires agencies consider whether the impacts associated with significant variations between domestic and international regulatory approaches are unnecessary or may impair the ability of American business to export and compete internationally. In meeting shared challenges involving health, safety, labor, security, environmental, and other issues, international regulatory cooperation can identify approaches that are at least as protective as those that are or would be adopted in the absence of such cooperation. International regulatory cooperation can also reduce, eliminate, or prevent unnecessary differences in regulatory requirements.

Similarly, the Trade Agreements Act of 1979 (Pub. L. 96–39), as amended by the Uruguay Round Agreements Act (Pub. L. 103–465), prohibits Federal agencies from establishing any standards or engaging in related activities that create unnecessary obstacles to the foreign commerce of the United States. For purposes of these requirements, Federal agencies may participate in the establishment of international standards, so long as the standards have a legitimate domestic objective, such as providing for safety, and do not operate to exclude imports that meet this objective. The statute also requires consideration of international standards and, where appropriate, that they be the basis for U.S. standards.

PHMSA engages with international standards setting bodies to protect the safety of the American public. PHMSA has assessed the effects of the final rule and has determined that its regulatory amendments will not cause unnecessary obstacles to foreign trade.

¹ PHMSA, *Implementing Procedures*, <https://www.phmsa.dot.gov/planning-and-analytics/environmental-analysis-and-compliance/implementing-procedures>.

L. Cybersecurity and Executive Order 14028

E.O. 14028, *Improving the Nation's Cybersecurity*, directs the Federal Government to improve its efforts to identify, deter, and respond to “persistent and increasingly sophisticated malicious cyber campaigns.” PHMSA has considered the effects of the final rule and has determined that its regulatory amendments will not materially affect the cybersecurity risk profile for pipeline facilities.

List of Subjects in 49 CFR Part 191

Natural gas, Pipeline safety.

In consideration of the foregoing, PHMSA amends 49 CFR part 191 as follows:

PART 191—TRANSPORTATION OF NATURAL AND OTHER GAS BY PIPELINE; ANNUAL, INCIDENT, AND OTHER REPORTING

- 1. The authority citation for 49 CFR part 191 continues to read as follows:

Authority: 30 U.S.C. 185(w)(3), 49 U.S.C. 5121, 60101 *et seq.*, and 49 CFR 1.97.

- 2. In § 191.25, revise paragraph (c) introductory text to read as follows:

§ 191.25 Filing safety-related condition reports.

* * * * *

(c) Reports must be filed by email to *InformationResourcesManager@dot.gov*. For a report made pursuant to § 191.23(a)(1) through (9), the report must be headed “Safety-Related Condition Report.” For a report made pursuant to § 191.23(a)(10), the report must be headed “Maximum Allowable Operating Pressure Exceedances.” All reports must provide the following information:

* * * * *

Issued in Washington, DC, on April 22, 2026, under the authority delegated in 49 CFR 1.97.

Paul J. Roberti,
Administrator.

[FR Doc. 2026-08059 Filed 4-23-26; 8:45 am]

BILLING CODE 4910-60-P

DEPARTMENT OF TRANSPORTATION

Pipeline and Hazardous Materials Safety Administration

49 CFR Part 192

[Docket No. PHMSA–2011–0023; Amdt. Nos. 191–26; 192–125]

RIN 2137–AE72

Pipeline Safety: Safety of Gas Transmission Pipelines: MAOP Reconfirmation, Expansion of Assessment Requirements, and Other Related Amendments; Correction

AGENCY: Pipeline and Hazardous Materials Safety Administration (PHMSA), Department of Transportation (DOT).

ACTION: Final rule; correcting amendment.

SUMMARY: This final rule makes a correction to the requirements for reconfirming the maximum allowable operating pressure of gas transmission lines.

DATES: This rule is effective on August 3, 2026.

FOR FURTHER INFORMATION CONTACT: Angela Hill, Transportation Specialist, 1200 New Jersey Avenue SE, Washington, DC 20590, 202–680–2034, *angela.hill@dot.gov*.

SUPPLEMENTARY INFORMATION: PHMSA is issuing a correction to 49 CFR 192, including § 192.624, which establishes requirements for reconfirming the maximum allowable operating pressure (MAOP) of gas transmission lines and was amended by a final rule published in the **Federal Register** on October 1, 2019 (84 FR 52180).

Operators of onshore steel transmission pipelines electing to use an alternative technical evaluation process to establish MAOP must adhere to the criteria set forth in § 192.624(c)(6). The existing list of criteria in § 192.624(c)(6) is numbered incorrectly and includes a duplicate § 192.624(c)(6)(vii). PHMSA is revising § 192.624 to replace the duplicate paragraph (c)(6)(vii) with paragraph (c)(6)(viii). This typographical correction will remove regulatory uncertainty relating to § 192.624(c)(6).

Regulatory Analyses and Notices

A. Legal Authority

This final rule is published under the authority of the Secretary of Transportation set forth in the Federal Pipeline Safety Laws (49 U.S.C. 60101 *et seq.*) and delegated to the PHMSA Administrator pursuant to 49 CFR 1.97.

PHMSA has good cause under 5 U.S.C. 553(b)(B) to issue this final rule without prior notice and comment. PHMSA is simply correcting a typographical error in § 192.624(c)(6)(vii). PHMSA finds that notice and comment is unnecessary because this amendment is editorial in nature and does not impose any new requirements.

B. Executive Order 12866

E.O. 12866, *Regulatory Planning and Review*, as implemented by DOT Order 2100.6B (“Policies and Procedures for Rulemaking”) and DOT Order 2100.7 (“Ensuring Reliance upon Sound Economic Analysis in Department of Transportation Policies, Programs, and Activities”), requires agencies to regulate in the “most cost-effective manner,” to make a “reasoned determination that the benefits of the intended regulation justify its costs,” and to develop regulations that “impose the least burden on society.” In arriving at those conclusions, E.O. 12866 requires that agencies should consider “both quantifiable measures . . . and qualitative measures of costs and benefits that are difficult to quantify” and “maximize net benefits . . . unless a statute requires another regulatory approach.” E.O. 12866 also requires that “agencies should assess all costs and benefits of available regulatory alternatives, including the alternative of not regulating.” DOT Order 2100.6B directs that PHMSA and other Operating Administrations must generally choose the “least costly regulatory alternative that achieves the relevant objectives” unless required by law or compelling safety need. DOT Order 2100.6B also specifies that regulations should generally “not be issued unless their benefits are expected to exceed their costs” except where required by law or compelling safety need. DOT Order 2100.7 requires that “all rulemaking activities shall be based on sound economic principles and analysis supported by rigorous cost-benefit requirement.”

E.O. 12866 and DOT Order 2100.6B also require that PHMSA submit “significant regulatory actions” to the Office of Information and Regulatory Affairs (OIRA) within the Executive Office of the President’s Office of Management and Budget (OMB) for review. This final rule is a not significant regulatory action pursuant to E.O. 12866; OMB also has not designated this rule as a “major rule” as defined by the Congressional Review Act (5 U.S.C. 801 *et seq.*).

PHMSA has complied with the procedural and analytical requirements in E.O. 12866 as implemented by DOT

Order 2100.6B and DOT Order 2100.7. This final rule does not impose new burdens, as the changes made therein are non-substantive and do not impose new requirements in the Federal Pipeline Safety Regulations. Similarly, the final rule does not have any adverse effects on safety.

C. Executive Orders 14192 and 14219

This final rule is considered a deregulatory action pursuant to E.O. 14192, *Unleashing Prosperity Through Deregulation*. PHMSA estimates that the total costs of the rule on the regulated community will be *de minimis*. The non-substantive changes of this rulemaking do not impose any new requirements on pipeline operators and should improve the clarity and compliance with the Federal Pipeline Safety Regulations. Nor does this rule implicate any of the factors identified in section 2(a) of E.O. 14219, *Ensuring Lawful Governance and Implementing the President's "Department of Government Efficiency" Deregulatory Initiative*, indicative that a regulation is "unlawful . . . [or] that undermine[s] the national interest."

D. Energy-Related Executive Orders 13211, 14154, and 14156

The President has declared in E.O. 14156, *Declaring a National Energy Emergency*, a National emergency to address America's inadequate energy development production, transportation, refining, and generation capacity. Similarly, E.O. 14154, *Unleashing American Energy*, asserts a Federal policy to unleash American energy by ensuring access to abundant supplies of reliable, affordable energy from (inter alia) the removal of "undue burden[s]" on the identification, development, or use of domestic energy resources such as PHMSA-jurisdictional gases and hazardous liquids. PHMSA finds this final rule is consistent with each of E.O. 14156 and E.O. 14154. The final rule will correct a typographical numbering error in the second 49 CFR 192.624(c)(6)(vii). The provisions of this final rule are non-substantive and will not impose new requirements on pipeline operators; they are intended to promote the ease of operators complying with the existing regulations.

This final rule is not a "significant energy action" under E.O. 13211, *Actions Concerning Regulations That Significantly Affect Energy Supply, Distribution, or Use*, which requires Federal agencies to prepare a Statement of Energy Effects for any "significant energy action." Because this final rule is not a significant action under E.O. 12866, it will not have a significant

adverse effect on supply, distribution, or energy use.

E. Executive Order 13132: Federalism

PHMSA analyzed this final rule in accordance with the principles and criteria contained in E.O. 13132, *Federalism*, and the Presidential Memorandum ("Preemption") published in the **Federal Register** on May 22, 2009. E.O. 13132 requires agencies to assure meaningful and timely input by State and local officials in the development of regulatory policies that may have "substantial direct effects on the States, on the relationship between the National Government and the States, or on the distribution of power and responsibilities among the various levels of government."

While the final rule may operate to preempt some State requirements, it would not impose any regulation that has substantial direct effects on the States, the relationship between the National Government and the States, or the distribution of power and responsibilities among the various levels of government. Section 60104(c) of the Federal Pipeline Safety Laws prohibits certain State safety regulation of interstate pipelines. Under the Federal Pipeline Safety Laws, States that have submitted a current certification under section 60105(a) can augment Federal pipeline safety requirements for intrastate pipelines regulated by PHMSA but may not approve safety requirements less stringent than those required by Federal law. A State may also regulate an intrastate pipeline facility that PHMSA does not regulate. The preemptive effect of the regulatory amendments in this final rule is limited to the minimum level necessary to achieve the objectives of the Federal Pipeline Safety Laws. Therefore, the consultation and funding requirements of E.O. 13132 do not apply.

F. Regulatory Flexibility Act

The Regulatory Flexibility Act (RFA, 5 U.S.C. 601 *et seq.*) requires Federal agencies to conduct a Final Regulatory Flexibility Analysis (FRFA) for a final rule subject to notice-and-comment rulemaking, unless the agency certifies that the rule will not have a significant economic impact on a substantial number of small entities. The RFA applies only to rules for which an agency is required to first publish a proposed rule (*see* 5 U.S.C. 603(a) and 604(a)). PHMSA is not required to publish a notice of proposed rulemaking for this final rule, so the RFA does not apply. However, PHMSA expects no affected operators will face significant

costs from the regulatory amendments introduced here, as they are editorial in nature.

G. Unfunded Mandates Reform Act of 1995

The Unfunded Mandates Reform Act (UMRA, 2 U.S.C. 1501 *et seq.*) requires agencies to assess the effects of Federal regulatory actions on State, local, and Tribal governments, and the private sector. For any proposed or final rule that includes a Federal mandate that may result in the expenditure by State, local, and Tribal governments, in the aggregate of \$100 million or more in 1996 dollars (\$203 million in 2024) in any given year, the agency must prepare, amongst other things, a written statement that qualitatively and quantitatively assesses the costs and benefits of the Federal mandate.

This final rule does not impose unfunded mandates under UMRA because it does not result in costs of \$100 million or more (in 1996 dollars) per year for either State, local, or Tribal governments, or to the private sector.

H. National Environmental Policy Act

PHMSA has analyzed this rule pursuant to the National Environmental Policy Act (NEPA, 42 U.S.C. 4321 *et seq.*) and has determined it is categorically excluded under 23 CFR 771.117(c)(20), which applies to the promulgation of rules, regulations, and directives. Under section 9 of DOT Order 5610.1D ("DOT's Procedures for Considering Environmental Impacts"), PHMSA may apply a categorical exclusion established in another Operating Administration's procedures. PHMSA followed the requirements outlined in DOT Order 5610.1D to apply a categorical exclusion issued by the Federal Highway Administration (FHWA) to this deregulatory action. PHMSA does not anticipate any adverse environmental impacts from this rule, and PHMSA has determined no unusual circumstances are present under 23 CFR 771.117(b). PHMSA's Categorical Exclusion Determination memo for this action is available on PHMSA's website.¹

I. Executive Order 13175

PHMSA analyzed this final rule according to the principles and criteria in E.O. 13175, *Consultation and Coordination with Indian Tribal Governments*, and DOT Order 5301.1A ("Department of Transportation Tribal Consultation Policies and Procedures").

¹ PHMSA, *Implementing Procedures*, <https://www.phmsa.dot.gov/planning-and-analytics/environmental-analysis-and-compliance/implementing-procedures>.

E.O. 13175 requires agencies to assure meaningful and timely input from Tribal government representatives in the development of rules that significantly or uniquely affect Tribal communities by imposing “substantial direct compliance costs” or “substantial direct effects” on such communities or the relationship or distribution of power between the Federal Government and Tribes.

PHMSA assessed the impact of the final rule and determined that it will not significantly or uniquely affect Tribal communities or Indian Tribal governments. The rulemaking’s regulatory amendments have a broad, national scope; therefore, this final rule will not significantly or uniquely affect Tribal communities, much less impose substantial compliance costs on Native American Tribal governments or mandate Tribal action. For these reasons, PHMSA has concluded that the funding and consultation requirements of E.O. 13175 and DOT Order 5301.1A do not apply.

J. Paperwork Reduction Act

The Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*) and its implementing regulations at 5 CFR 1320.8(d) requires that PHMSA provide interested members of the public and affected agencies with an opportunity to comment on information collection and recordkeeping requests. This rulemaking will not create, amend, or rescind any existing information collections.

K. Executive Order 13609 and International Trade Analysis

E.O. 13609, *Promoting International Regulatory Cooperation*, requires agencies consider whether the impacts associated with significant variations between domestic and international regulatory approaches are unnecessary or may impair the ability of American business to export and compete internationally. In meeting shared challenges involving health, safety, labor, security, environmental, and other issues, international regulatory cooperation can identify approaches that are at least as protective as those that are or would be adopted in the absence of such cooperation. International regulatory cooperation can also reduce, eliminate, or prevent unnecessary differences in regulatory requirements.

Similarly, the Trade Agreements Act of 1979 (Pub. L. 96–39), as amended by the Uruguay Round Agreements Act (Pub. L. 103–465), prohibits Federal agencies from establishing any standards or engaging in related

activities that create unnecessary obstacles to the foreign commerce of the United States. For purposes of these requirements, Federal agencies may participate in the establishment of international standards, so long as the standards have a legitimate domestic objective, such as providing for safety, and do not operate to exclude imports that meet this objective. The statute also requires consideration of international standards and, where appropriate, that they be the basis for U.S. standards.

PHMSA engages with international standards setting bodies to protect the safety of the American public. PHMSA has assessed the effects of the final rule and has determined that its regulatory amendments will not cause unnecessary obstacles to foreign trade.

L. Cybersecurity and Executive Order 14028

E.O. 14028, *Improving the Nation’s Cybersecurity*, directs the Federal Government to improve its efforts to identify, deter, and respond to “persistent and increasingly sophisticated malicious cyber campaigns.” PHMSA has considered the effects of the final rule and has determined that its regulatory amendments will not materially affect the cybersecurity risk profile for pipeline facilities.

List of Subjects in 49 CFR Part 192

Natural gas, Pipeline safety.

Accordingly, 49 CFR part 192 is corrected by making the following correcting amendment:

PART 192—TRANSPORTATION OF NATURAL AND OTHER GAS BY PIPELINE: MINIMUM FEDERAL SAFETY STANDARDS

- 1. The authority citation for part 192 continues to read as follows:

Authority: 30 U.S.C. 185(w)(3), 49 U.S.C. 5103, 60101 *et seq.*, and 49 CFR 1.97.

- 2. Amend § 192.624 by redesignating the second paragraph (c)(6)(vii) as paragraph (c)(6)(viii).

Issued in Washington, DC, on April 22, 2026, under the authority delegated in 49 CFR 1.97.

Paul J. Roberti,

Administrator.

[FR Doc. 2026–08058 Filed 4–23–26; 8:45 am]

BILLING CODE 4910–60–P

DEPARTMENT OF TRANSPORTATION

Pipeline and Hazardous Materials Safety Administration

49 CFR Part 192

[Docket No. PHMSA–2026–1522; Amdt. No. 192–158]

RIN 2137–AG26

Pipeline Safety: Standards Update—NFPA 58

AGENCY: Pipeline and Hazardous Materials Safety Administration (PHMSA), Department of Transportation (DOT).

ACTION: Direct final rule (DFR); request for comments.

SUMMARY: This DFR amends PHMSA’s regulations to incorporate by reference an updated edition of industry standard NFPA 58, Liquefied Petroleum Gas Code. This updated standard will maintain or improve public safety, prevent regulatory confusion, reduce compliance burdens on stakeholders, and satisfy a mandate in the National Technology Transfer and Advancement Act (NTTAA) of 1995.

DATES: The DFR is effective January 1, 2027, unless adverse comments are received by June 23, 2026. If adverse comments are received, notification will be published in the **Federal Register** before the effective date withdrawing the rule and publishing a notice of proposed rulemaking to provide an additional opportunity for public comment. Compliance after June 23, 2026 is authorized. The incorporation by reference of certain material listed in this rule is approved by the Director of the **Federal Register** as of January 1, 2027.

ADDRESSES: You may submit comments identified by the Docket Number PHMSA–2026–1522 using any of the following methods:

E-Gov Web: <https://www.regulations.gov>. This site allows the public to enter comments on any **Federal Register** notice issued by any agency. Follow the online instructions for submitting comments.

Mail: Docket Management System: U.S. Department of Transportation, 1200 New Jersey Avenue SE, West Building Ground Floor, Room W12–140, Washington, DC 20590–0001.

Alternatively, hand delivery is available to this address between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

Fax: 1–202–493–2251.

For commenting instructions and additional information about

commenting, see **SUPPLEMENTARY INFORMATION**.

FOR FURTHER INFORMATION CONTACT:

Alyssa Imam, Transportation Specialist, 1200 New Jersey Avenue SE, Washington, DC 20590, by phone at 202-738-3850 or email at alyssa.imam@dot.gov.

SUPPLEMENTARY INFORMATION:

I. General Discussion

Through this DFR, PHMSA is incorporating by reference an update to a voluntary, consensus industry technical standard already incorporated by reference within 49 CFR part 192. Specifically, PHMSA is updating the referenced edition of industry standard NFPA 58, Liquefied Petroleum Gas Code to the 2024 edition (NFPA 58).

NFPA 58 provides criteria for all aspects of the safe design, construction, installation, and operation of the full range of LP-Gas piping, equipment, and venting, along with highway transportation of liquefied petroleum gas. Reference to the 2024 edition of the standard will replace the existing reference in § 192.11 to NFPA 58, Liquefied Petroleum Gas Code, 2020 edition, effective August 25, 2019.

This updated standard will maintain or improve public safety, prevent regulatory confusion, and reduce compliance burdens on stakeholders. The National Technology Transfer and Advancement Act (NTTAA) of 1995 (15 U.S.C. 272 (note)) directs Federal agencies to, “when practical and consistent with applicable laws, use technical standards developed by voluntary consensus standard bodies instead of government-developed technical standards.” Consistent with that mandate, PHMSA incorporates more than 80 industry standards by reference into the Federal Pipeline Safety Regulations (49 CFR parts 190–199); however, many standards become outdated over time as new editions become available. 49 U.S.C. 60102(l) directs PHMSA to update incorporated industry standards.

Updating this standard ensures better alignment of PHMSA’s regulations with innovations in operational and management practices, materials, testing, and technological advancements; enhances compliance by avoiding conflict between different versions of the same industry standards; and facilitates safety-focused allocation of resources by pipeline operators. PHMSA technical experts have evaluated the changes in the updated edition of NFPA 58 and concluded it will either maintain or enhance the protection of public safety. These

updates effectively mitigate safety gaps by incorporating innovations in equipment design, operational and maintenance practices, and testing, while addressing latent vulnerabilities that were historically unidentifiable due to the technical limitations of legacy data-gathering and monitoring capabilities. PHMSA further concludes that the direct final rule’s updated standard is technically feasible, reasonable, cost-effective, and practicable because of its respective anticipated commercial and public safety benefits; and because the benefits better support PHMSA’s safety priorities compared to alternatives, thereby justifying any associated compliance costs.

Availability of Materials to Interested Parties

Pursuant to section 24 of the Pipeline Safety, Regulatory Certainty, and Job Creation Act of 2011 (Pub. L. 112–90, codified at 49 U.S.C. 60102(p)), “the Secretary may not issue a regulation pursuant to this chapter that incorporates any documents or portions thereof unless the documents or portions thereof are made available to the public, free of charge.” The standard incorporated in this direct final rule is available from the following website: <https://www.nfpa.org/Codes-and-Standards/All-Codes-and-Standards/List-of-Codes-and-Standards>. The material can also be obtained by interested parties through the applicable publisher contact information listed in § 192.7. Additional information regarding standards availability can be found at <https://www.phmsa.dot.gov/standards-rulemaking/pipeline/standards-incorporated-reference>.

Commenting Instructions: Please include the docket number PHMSA–2026–1522 at the beginning of your comments. If you submit your comments by mail, submit two copies. If you wish to receive confirmation that PHMSA received your comments, include a self-addressed stamped postcard. Internet users may submit comments at <https://www.regulations.gov>.

Note: Comments are posted without changes or edits to <https://www.regulations.gov>, including any personal information provided. There is a privacy statement published on <https://www.regulations.gov>.

Privacy Act: In accordance with 5 U.S.C. 553(c), DOT solicits comments from the public to inform its rulemaking process. DOT posts these comments, without edit, including any personal information the commenter provides, to our docket at [https://](https://www.regulations.gov)

www.regulations.gov. You may review DOT’s complete Privacy Act Statement by visiting <https://www.dot.gov/privacy>.

Confidential Business Information: Confidential Business Information (CBI) is commercial or financial information that is both customarily and actually treated as private by its owner. Under the Freedom of Information Act (FOIA, 5 U.S.C. 552), CBI is exempt from public disclosure. It is important that you clearly designate the comments submitted as CBI if: your comments responsive to this document contain commercial or financial information that is customarily treated as private; you actually treat such information as private; and your comment is relevant or responsive to this notice. Pursuant to 49 CFR 190.343, you may ask PHMSA to provide confidential treatment to information you give to the agency by taking the following steps: (1) mark each page of the original document submission containing CBI as “Confidential;” (2) send PHMSA, along with the original document, a second copy of the original document with the CBI deleted; and (3) explain why the information that you are submitting is CBI. Submissions containing CBI should be sent to Brianna Wilson, Standards and Rulemaking Division, Pipeline and Hazardous Materials Safety Administration (PHMSA), 2nd Floor, 1200 New Jersey Avenue SE, Washington, DC 20590–0001, or by email at brianna.wilson@dot.gov. Any materials PHMSA receives that is not specifically designated as CBI will be placed in the public docket.

Docket: For access to the docket to read background documents or comments received, go to <http://www.regulations.gov>. Follow the online instructions for accessing the docket. Alternatively, you may review the documents in person at the street address listed above.

II. Regulatory Analysis and Notices

A. Legal Authority

This direct final rule is published under the authority of the Secretary of Transportation set forth in the Federal Pipeline Safety Laws (49 U.S.C. 60101 *et seq.*) and delegated to the PHMSA Administrator pursuant to 49 CFR 1.97. PHMSA has determined that this direct final rule—which updates an industry standard already incorporated by reference into its regulations—is unlikely to elicit significant adverse comment. See 49 U.S.C. 60102(b)(6)(A). PHMSA similarly finds that publication of a proposed rulemaking on which comment is solicited would be “unnecessary” pursuant to section

553(b)(B) of the Administrative Procedure Act (5 U.S.C. 551 *et seq.*) because this rulemaking merely adopts an updated version of an industry standard that itself reflects a broad consensus among affected industry stakeholders.

B. Executive Order 12866

E.O. 12866, *Regulatory Planning and Review*, as implemented by DOT Order 2100.6B (“Policies and Procedures for Rulemaking”) and DOT Order 2100.7 (“Ensuring Reliance upon Sound Economic Analysis in Department of Transportation Policies, Programs, and Activities”), requires agencies to regulate in the “most cost-effective manner,” to make a “reasoned determination that the benefits of the intended regulation justify its costs,” and to develop regulations that “impose the least burden on society.” In arriving at those conclusions, E.O. 12866 requires that agencies should consider “both quantifiable measures . . . and qualitative measures of costs and benefits that are difficult to quantify” and “maximize net benefits . . . unless a statute requires another regulatory approach.” E.O. 12866 also requires that “agencies should assess all costs and benefits of available regulatory alternatives, including the alternative of not regulating.” DOT Order 2100.6B directs that PHMSA and other Operating Administrations must generally choose the “least costly regulatory alternative that achieves the relevant objectives” unless required by law or compelling safety need. DOT Order 2100.6B also specifies that regulations should generally “not be issued unless their benefits are expected to exceed their costs” except where required by law or compelling safety need. DOT Order 2100.7 requires that “all rulemaking activities shall be based on sound economic principles and analysis supported by rigorous cost-benefit requirement.”

E.O. 12866 and DOT Order 2100.6B also require that PHMSA submit “significant regulatory actions” to the Office of Information and Regulatory Affairs (OIRA) within the Executive Office of the President’s Office of Management and Budget (OMB) for review. This final rule is a not significant regulatory action pursuant to E.O. 12866; OMB also has not designated this rule as a “major rule” as defined by the Congressional Review Act (5 U.S.C. 801 *et seq.*).

PHMSA has complied with the procedural and analytical requirements in E.O. 12866 as implemented by DOT Order 2100.6B and DOT Order 2100.7 and determined that this direct final

rule may result in minimal cost savings by reducing regulatory burdens and regulatory uncertainty for pipeline facility operators. In general, updates to consensus industry standards are widely accepted and followed on a voluntary basis throughout most of the pipeline industry. PHMSA understands that most pipeline operators already purchase and voluntarily apply industry standards—including the updated standard that is the subject of this rulemaking—within their ordinary business practices. Incorporation of the updated version of the standard referenced in this direct final rule will help ensure that the industry is not forced to incur the additional cost of complying with different versions of the same standard. The cost savings of this rulemaking could not be quantified.

Updating to a more recent edition of the industry standard will ensure better alignment of PHMSA’s regulations with innovations in operational and maintenance practices, equipment design, and testing. These updates address known safety risks, encourage facilities to invest in safety enhancing innovations, and improve public safety.

C. Executive Orders 14192 and Executive Order 14219

This direct final rule is considered a deregulatory action pursuant to E.O. 14192, *Unleashing Prosperity Through Deregulation*. PHMSA estimates that the total costs of the direct final rule on the regulated community will be less than zero. Nor do the regulatory amendments herein implicate any of the factors identified in section 2(a) of E.O. 14219, *Ensuring Lawful Governance and Implementing the President’s “Department of Government Efficiency” Deregulatory Initiative*, indicative that a regulation is “unlawful . . . [or] that undermine[s] the national interest.”

D. Energy-Related Executive Orders 13211, 14154, and 14156

The President has declared in E.O. 14156, *Declaring a National Energy Emergency*, a National emergency to address inadequate U.S. energy development production, transportation, refining, and generation capacity. Similarly, E.O. 14154, *Unleashing American Energy*, asserts a Federal policy to unleash American energy by ensuring access to abundant supplies of reliable, affordable energy from (inter alia) the removal of “undue burden[s]” on the identification, development, or use of domestic energy resources such as PHMSA-jurisdictional gasses and hazardous liquids. PHMSA finds this direct final rule is consistent with each of E.O. 14156 and E.O. 14154.

The direct final rule will give affected pipeline operators the benefit of using the updated standard to maintain or improve public safety, prevent regulatory confusion, and reduce compliance burdens on stakeholders. PHMSA therefore expects the regulatory amendment in this direct final rule will in turn increase national pipeline transportation capacity and improve pipeline operators’ ability to provide abundant, reliable, affordable natural gas in response to residential, commercial, and industrial demand.

However, this direct final rule is not a “significant energy action” under E.O. 13211, *Actions Concerning Regulations That Significantly Affect Energy Supply, Distribution, or Use*, which requires Federal agencies to prepare a Statement of Energy Effects for any “significant energy action.” Because this direct final rule is not a significant action under E.O. 12866, it will not have a significant adverse effect on supply, distribution, or energy use.

E. Executive Order 13132: Federalism

PHMSA analyzed this direct final rule in accordance with the principles and criteria contained in E.O. 13132, *Federalism*, and the Presidential Memorandum (“Preemption”) published in the **Federal Register** on May 22, 2009. E.O. 13132 requires agencies to assure meaningful and timely input by State and local officials in the development of regulatory policies that may have “substantial direct effects on the States, on the relationship between the National Government and the States, or on the distribution of power and responsibilities among the various levels of government.”

While the direct final rule may operate to preempt some State requirements, it will not impose any regulation that has substantial direct effects on the States, the relationship between the National Government and the States, or the distribution of power and responsibilities among the various levels of government. Section 60104(c) of the Federal Pipeline Safety Laws prohibits certain State safety regulation of interstate pipelines. Under the Federal Pipeline Safety Laws, States that have submitted a current certification under section 60105(a) can augment Federal pipeline safety requirements for intrastate pipelines regulated by PHMSA but may not approve safety requirements less stringent than those required by Federal law. A State may also regulate an intrastate pipeline facility that PHMSA does not regulate. The preemptive effect of the regulatory amendments in this direct final rule is

limited to the minimum level necessary to achieve the objectives of the Federal Pipeline Safety Laws. Therefore, the consultation and funding requirements of E.O. 13132 do not apply.

F. Regulatory Flexibility Act

The Regulatory Flexibility Act (RFA, 5 U.S.C. 601 *et seq.*) requires Federal agencies to conduct a Final Regulatory Flexibility Analysis (FRFA) for a final rule subject to notice-and-comment rulemaking, unless the agency certifies that the rule will not have a significant economic impact on a substantial number of small entities. The RFA applies only to rules for which an agency is required to first publish a proposed rule (*see* 5 U.S.C. 603(a) and 604(a)). PHMSA is not required to publish a notice of proposed rulemaking for this DFR, so the RFA does not apply. However, PHMSA expects no affected operators will face significant costs because the referenced standard is widely available for purchase at relatively low cost, most operators are already in compliance with the content of the referenced standard, and compliance costs for any remaining operators are expected to be negligible.

G. Unfunded Mandates Reform Act of 1995

The Unfunded Mandates Reform Act (UMRA, 2 U.S.C. 1501 *et seq.*) requires agencies to assess the effects of Federal regulatory actions on State, local, and Tribal governments, and the private sector. For any proposed or direct final rule that includes a Federal mandate that may result in the expenditure by State, local, and Tribal governments, in the aggregate of \$100 million or more in 1996 dollars (\$203 million in 2024 dollars) in any given year, the agency must prepare, amongst other things, a written statement that qualitatively and quantitatively assesses the costs and benefits of the Federal mandate.

This direct final rule does not impose unfunded mandates under UMRA because it does not result in costs of \$100 million or more (in 1996 dollars) per year for either State, local, or Tribal governments, or to the private sector.

H. National Environmental Policy Act

PHMSA has analyzed this rule pursuant to the National Environmental Policy Act (NEPA, 42 U.S.C. 4321 *et seq.*) and has determined it is categorically excluded under 23 CFR 771.117(c)(20), which applies to the promulgation of rules, regulations, and directives. Under section 9 of DOT Order 5610.1D (“DOT’s Procedures for Considering Environmental Impacts”), PHMSA may apply a categorical

exclusion established in another Operating Administration’s procedures. PHMSA followed the requirements outlined in DOT Order 5610.1D to apply a categorical exclusion issued by the Federal Highway Administration (FHWA) to this deregulatory action. PHMSA does not anticipate any adverse environmental impacts from this rule, and PHMSA has determined no unusual circumstances are present under 23 CFR 771.117(b). PHMSA’s Categorical Exclusion Determination memo for this action is available on PHMSA’s website.¹

I. Executive Order 13175

PHMSA analyzed this direct final rule according to the principles and criteria in E.O. 13175, *Consultation and Coordination with Indian Tribal Governments*, and DOT Order 5301.1A (“Department of Transportation Tribal Consultation Policies and Procedures”). E.O. 13175 requires agencies to assure meaningful and timely input from Tribal government representatives in the development of rules that significantly or uniquely affect Tribal communities by imposing “substantial direct compliance costs” or “substantial direct effects” on such communities or the relationship or distribution of power between the Federal Government and Tribes.

PHMSA assessed the impact of the direct final rule and determined that it will not significantly or uniquely affect Tribal communities or Indian Tribal governments. The rulemaking’s regulatory amendments have a broad, national scope; therefore, this direct final rule will not significantly or uniquely affect Tribal communities, much less impose substantial compliance costs on Native American Tribal governments or mandate Tribal action. For these reasons, PHMSA has concluded that the funding and consultation requirements of E.O. 13175 and DOT Order 5301.1A do not apply.

J. Paperwork Reduction Act

The Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*) and its implementing regulations at 5 CFR 1320.8(d) requires that PHMSA provide interested members of the public and affected agencies with an opportunity to comment on information collection and recordkeeping requests. This rulemaking will not create, amend, or rescind any existing information collections.

¹ DOT, *Implementing Procedures*, <https://www.phmsa.dot.gov/planning-and-analytics/environmental-analysis-and-compliance/implementing-procedures>.

K. Executive Order 13609 and International Trade Analysis

E.O. 13609, *Promoting International Regulatory Cooperation*, requires agencies to consider whether the impacts associated with significant variations between domestic and international regulatory approaches are unnecessary or may impair the ability of American business to export and compete internationally. In meeting shared challenges involving health, safety, labor, security, environmental, and other issues, international regulatory cooperation can identify approaches that are at least as protective as those that are or would be adopted in the absence of such cooperation. International regulatory cooperation can also reduce, eliminate, or prevent unnecessary differences in regulatory requirements.

Similarly, the Trade Agreements Act of 1979 (Pub. L. 96–39), as amended by the Uruguay Round Agreements Act (Pub. L. 103–465), prohibits Federal agencies from establishing any standards or engaging in related activities that create unnecessary obstacles to the foreign commerce of the United States. For purposes of these requirements, Federal agencies may participate in the establishment of international standards, so long as the standards have a legitimate domestic objective, such as providing for safety, and do not operate to exclude imports that meet this objective. The statute also requires consideration of international standards and, where appropriate, that they be the basis for U.S. standards.

PHMSA engages with international standards setting bodies to protect the safety of the American public. PHMSA has assessed the effects of the direct final rule and has determined that its regulatory amendments will not cause unnecessary obstacles to foreign trade.

L. Cybersecurity and Executive Order 14028

E.O. 14028, *Improving the Nation’s Cybersecurity*, directed the Federal Government to improve its efforts to identify, deter, and respond to “persistent and increasingly sophisticated malicious cyber campaigns.” PHMSA has considered the effects of the direct final rule and has determined that its regulatory amendments will not materially affect the cybersecurity risk profile for pipeline facilities.

List of Subjects in 49 CFR Part 192

Incorporation by reference, Natural gas, Pipeline safety.

For the reasons set forth above, PHMSA amends 49 CFR part 192 as follows:

PART 192—TRANSPORTATION OF NATURAL AND OTHER GAS BY PIPELINE: MINIMUM FEDERAL SAFETY STANDARDS

■ 1. The authority citation for part 192 continues to read as follows:

Authority: 30 U.S.C. 185(w)(3), 49 U.S.C. 5103, 60101 *et seq.*, and 49 CFR 1.97.

■ 2. In § 192.7, revise paragraph (i)(2) to read as follows:

§ 192.7 What documents are incorporated by reference partly or wholly in this part?

* * * * *

(i) * * *

(2) NFPA 58, Liquefied Petroleum Gas Code, 2024 edition, effective September 14, 2023, (NFPA 58); IBR approved for § 192.11.

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Issued in Washington, DC, on April 22, 2026, under the authority delegated in 49 CFR 1.97.

Paul J. Roberti,
Administrator.

[FR Doc. 2026-08072 Filed 4-23-26; 8:45 am]

BILLING CODE 4910-60-P

DEPARTMENT OF TRANSPORTATION

Pipeline and Hazardous Materials Safety Administration

49 CFR Part 192

[Docket No. PHMSA-2026-1526; Amdt. No. 192-162]

RIN 2137-AG30

Pipeline Safety: Standards Update—ASTM D2564

AGENCY: Pipeline and Hazardous Materials Safety Administration (PHMSA), Department of Transportation (DOT).

ACTION: Direct final rule (DFR); request for comments.

SUMMARY: This DFR amends PHMSA's regulations to incorporate by reference an updated edition of industry standard ASTM D2564, Standard Specification for Solvent Cements for Poly (Vinyl Chloride) (PVC) Plastic Piping Systems. This updated standard will maintain or improve public safety, prevent regulatory confusion, reduce compliance burdens on stakeholders, and satisfy a mandate in the National Technology Transfer and Advancement Act (NTTAA) of 1995.

DATES: The DFR is effective January 1, 2027, unless adverse comments are received by June 23, 2026. If adverse comments are received, notification will be published in the **Federal Register** before the effective date withdrawing the rule and publishing a notice of proposed rulemaking to provide an additional opportunity for public comment. Compliance after June 23, 2026 is authorized. The incorporation by reference of certain material listed in this rule is approved by the Director of the Federal Register as of January 1, 2027.

ADDRESSES: You may submit comments identified by the Docket Number PHMSA-2026-1526 using any of the following methods:

E-Gov Web: <https://www.regulations.gov>. This site allows the public to enter comments on any **Federal Register** notice issued by any agency. Follow the online instructions for submitting comments.

Mail: Docket Management System: U.S. Department of Transportation, 1200 New Jersey Avenue SE, West Building Ground Floor, Room W12-140, Washington, DC 20590-0001.

Alternatively, hand delivery is available to this address between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.
Fax: 1-202-493-2251.

For commenting instructions and additional information about commenting, see **SUPPLEMENTARY INFORMATION**.

FOR FURTHER INFORMATION CONTACT:

Brianna Wilson, Transportation Specialist, 1200 New Jersey Avenue SE, Washington, DC 20590, by phone at 771-215-0969 or email at brianna.wilson@dot.gov.

SUPPLEMENTARY INFORMATION:

I. General Discussion

Through this DFR, PHMSA is incorporating by reference an update to a voluntary, consensus industry technical standard already incorporated by reference within 49 CFR part 192. Specifically, PHMSA is updating the referenced edition of industry standard ASTM D2564, Standard Specification for Solvent Cements for Poly (Vinyl Chloride) (PVC) Plastic Piping Systems, to the reapproved 2020 edition (ASTM D2564).

ASTM D2564 presents the current requirements for solvent cements that are used to join PVC piping systems. It addresses the requirements in Specification D1784 regarding PVC pipe that was created from compounds and includes Practice D2855's procedure for joining PVC fittings and pipe.

A reference to the 2024 edition of this standard will replace the existing reference in § 192.281 to ASTM D2564-20, Standard Specification for Solvent Cements for Poly (Vinyl Chloride) (PVC) Plastic Piping Systems, approved August 1, 2020.¹ In parallel with incorporating by reference the 2020 edition in August 2025, PHMSA continued its technical review of more recent editions of the standard for potential incorporation in its regulations. Based on that technical review, PHMSA now supports further updating of the standard to the 2024 version.

This updated standard will maintain or improve public safety, prevent regulatory confusion, and reduce compliance burdens on stakeholders. The National Technology Transfer and Advancement Act (NTTAA) of 1995 (15 U.S.C. 272 (note)) directs Federal agencies to, "when practical and consistent with applicable laws, use technical standards developed by voluntary consensus standard bodies instead of government-developed technical standards." Consistent with that mandate, PHMSA incorporates more than 80 industry standards by reference into the Federal Pipeline Safety Regulations (49 CFR parts 190-199); however, many standards become outdated over time as new editions become available. 49 U.S.C. 60102(j) directs PHMSA to update incorporated industry standards.

Updating this standard ensures better alignment of PHMSA's regulations with innovations in operational and management practices, materials, testing, and technological advancements; enhances compliance by avoiding conflict between different versions of the same industry standards; and facilitates safety-focused allocation of resources by pipeline operators. PHMSA technical experts have evaluated the changes in the updated edition of ASTM D2564 and concluded it will either maintain or enhance the protection of public safety. These updates effectively mitigate safety gaps by incorporating innovations in equipment design, operational and maintenance practices, and testing, while addressing latent vulnerabilities that were historically unidentifiable due to the technical limitations of legacy data-gathering and monitoring capabilities. Indeed, PHMSA on August 21, 2025, published a final rule updating the reference within part 192

¹ PHMSA, *Periodic Safety: Periodic Standards Update II*, 90 FR 40749 (Aug. 21, 2025) (effective Jan. 10, 2026). This direct final rule reflects the list of references as they will exist after that effective date.

to the 2020 edition of this standard after preliminarily finding the revisions in that edition enhanced pipeline safety (90 FR 40749); PHMSA's evaluation of the handful of changes introduced in the standard since 2020 yield a similar conclusion regarding their safety impact. PHMSA further concludes that the direct final rule's updated standard is technically feasible, reasonable, cost-effective, and practicable because of its respective anticipated commercial and public safety benefits; and because the benefits better support PHMSA's safety priorities compared to alternatives, thereby justifying any associated compliance costs.

Availability of Materials to Interested Parties

Pursuant to section 24 of the Pipeline Safety, Regulatory Certainty, and Job Creation Act of 2011 (Pub. L. 112–90, codified at 49 U.S.C. 60102(p)), “the Secretary may not issue a regulation pursuant to this chapter that incorporates any documents or portions thereof unless the documents or portions thereof are made available to the public, free of charge.” The standard incorporated in this direct final rule is available from the following website: <https://www.astm.org/standards-and-solutions/standards-and-publications/reading-room>. The material can also be obtained by interested parties through the applicable publisher contact information listed in § 192.7. Additional information regarding standards availability can be found at <https://www.phmsa.dot.gov/standards-rulemaking/pipeline/standards-incorporated-reference>.

Commenting Instructions: Please include the docket number PHMSA–2026–1526 at the beginning of your comments. If you submit your comments by mail, submit two copies. If you wish to receive confirmation that PHMSA received your comments, include a self-addressed stamped postcard. Internet users may submit comments at <https://www.regulations.gov>.

Note: Comments are posted without changes or edits to <https://www.regulations.gov>, including any personal information provided. There is a privacy statement published on <https://www.regulations.gov>.

Privacy Act: In accordance with 5 U.S.C. 553(c), DOT solicits comments from the public to inform its rulemaking process. DOT posts these comments, without edit, including any personal information the commenter provides, to our docket at <https://www.regulations.gov>. You may review

DOT's complete Privacy Act Statement by visiting <https://www.dot.gov/privacy>.

Confidential Business Information: Confidential Business Information (CBI) is commercial or financial information that is both customarily and actually treated as private by its owner. Under the Freedom of Information Act (FOIA, 5 U.S.C. 552), CBI is exempt from public disclosure. It is important that you clearly designate the comments submitted as CBI if: your comments responsive to this document contain commercial or financial information that is customarily treated as private; you actually treat such information as private; and your comment is relevant or responsive to this notice. Pursuant to 49 CFR 190.343, you may ask PHMSA to provide confidential treatment to information you give to the agency by taking the following steps: (1) mark each page of the original document submission containing CBI as “Confidential;” (2) send PHMSA, along with the original document, a second copy of the original document with the CBI deleted; and (3) explain why the information that you are submitting is CBI. Submissions containing CBI should be sent to Brianna Wilson, Standards and Rulemaking Division, Pipeline and Hazardous Materials Safety Administration (PHMSA), 2nd Floor, 1200 New Jersey Avenue SE, Washington, DC 20590–0001, or by email at brianna.wilson@dot.gov. Any materials PHMSA receives that is not specifically designated as CBI will be placed in the public docket.

Docket: For access to the docket to read background documents or comments received, go to <http://www.regulations.gov>. Follow the online instructions for accessing the docket. Alternatively, you may review the documents in person at the street address listed above.

II. Regulatory Analysis and Notices

A. Legal Authority

This direct final rule is published under the authority of the Secretary of Transportation set forth in the Federal Pipeline Safety Laws (49 U.S.C. 60101 *et seq.*) and delegated to the PHMSA Administrator pursuant to 49 CFR 1.97. PHMSA has determined that this direct final rule—which updates an industry standard already incorporated by reference into its regulations—is unlikely to elicit significant adverse comment. *See* 49 U.S.C. 60102(b)(6)(A). PHMSA similarly finds that publication of a proposed rulemaking on which comment is solicited would be “unnecessary” pursuant to section 553(b)(B) of the Administrative

Procedure Act (5 U.S.C. 551 *et seq.*) because this rulemaking merely adopts an updated version of an industry standard reflecting a broad consensus among affected industry stakeholders.

B. Executive Order 12866

E.O. 12866, *Regulatory Planning and Review*, as implemented by DOT Order 2100.6B (“Policies and Procedures for Rulemaking”) and DOT Order 2100.7 (“Ensuring Reliance upon Sound Economic Analysis in Department of Transportation Policies, Programs, and Activities”), requires agencies to regulate in the “most cost-effective manner,” to make a “reasoned determination that the benefits of the intended regulation justify its costs,” and to develop regulations that “impose the least burden on society.” In arriving at those conclusions, E.O. 12866 requires that agencies should consider “both quantifiable measures . . . and qualitative measures of costs and benefits that are difficult to quantify” and “maximize net benefits . . . unless a statute requires another regulatory approach.” E.O. 12866 also requires that “agencies should assess all costs and benefits of available regulatory alternatives, including the alternative of not regulating.” DOT Order 2100.6B directs that PHMSA and other Operating Administrations must generally choose the “least costly regulatory alternative that achieves the relevant objectives” unless required by law or compelling safety need. DOT Order 2100.6B also specifies that regulations should generally “not be issued unless their benefits are expected to exceed their costs” except where required by law or compelling safety need. DOT Order 2100.7 requires that “all rulemaking activities shall be based on sound economic principles and analysis supported by rigorous cost-benefit requirement.”

E.O. 12866 and DOT Order 2100.6B also require that PHMSA submit “significant regulatory actions” to the Office of Information and Regulatory Affairs (OIRA) within the Executive Office of the President’s Office of Management and Budget (OMB) for review. This final rule is a not significant regulatory action pursuant to E.O. 12866; OMB also has not designated this rule as a “major rule” as defined by the Congressional Review Act (5 U.S.C. 801 *et seq.*).

PHMSA has complied with the procedural and analytical requirements in E.O. 12866 as implemented by DOT Order 2100.6B and DOT Order 2100.7 and determined that this direct final rule may result in minimal cost savings by reducing regulatory burdens and

regulatory uncertainty for pipeline facility operators. In general, updates to consensus industry standards are widely accepted and followed on a voluntary basis throughout most of the pipeline industry. PHMSA understands that most pipeline operators already purchase and voluntarily apply industry standards—including the updated standard that is the subject of this rulemaking—within their ordinary business practices. Incorporation of the updated version of the standard referenced in this direct final rule will help ensure that the industry is not forced to incur the additional cost of complying with different versions of the same standard. The cost savings of this rulemaking could not be quantified.

Updating to a more recent edition of the industry standard will ensure better alignment of PHMSA's regulations with innovations in operational and maintenance practices, equipment design, and testing. These updates address known safety risks, encourage facilities to invest in safety enhancing innovations, and improve public safety.

C. Executive Orders 14192 and Executive Order 14219

This direct final rule is considered a deregulatory action pursuant to E.O. 14192, *Unleashing Prosperity Through Deregulation*. PHMSA estimates that the total costs of the direct final rule on the regulated community will be less than zero. Nor do the regulatory amendments herein implicate any of the factors identified in section 2(a) of E.O. 14219, *Ensuring Lawful Governance and Implementing the President's "Department of Government Efficiency" Deregulatory Initiative*, indicative that a regulation is "unlawful . . . [or] that undermine[s] the national interest."

D. Energy-Related Executive Orders 13211, 14154, and 14156

The President has declared in E.O. 14156, *Declaring a National Energy Emergency*, a National emergency to address inadequate U.S. energy development production, transportation, refining, and generation capacity. Similarly, E.O. 14154, *Unleashing American Energy*, asserts a Federal policy to unleash American energy by ensuring access to abundant supplies of reliable, affordable energy from (inter alia) the removal of "undue burden[s]" on the identification, development, or use of domestic energy resources such as PHMSA-jurisdictional gasses and hazardous liquids. PHMSA finds this direct final rule is consistent with each of E.O. 14156 and E.O. 14154. The direct final rule will give affected pipeline operators the benefit of using

the updated standard to maintain or improve public safety, prevent regulatory confusion, and reduce compliance burdens on stakeholders. PHMSA therefore expects the regulatory amendment in this direct final rule will in turn increase national pipeline transportation capacity and improve pipeline operators' ability to provide abundant, reliable, affordable natural gas in response to residential, commercial, and industrial demand.

However, this direct final rule is not a "significant energy action" under E.O. 13211, *Actions Concerning Regulations That Significantly Affect Energy Supply, Distribution, or Use*, which requires Federal agencies to prepare a Statement of Energy Effects for any "significant energy action." Because this direct final rule is not a significant action under E.O. 12866, it will not have a significant adverse effect on supply, distribution, or energy use.

E. Executive Order 13132: Federalism

PHMSA analyzed this direct final rule in accordance with the principles and criteria contained in E.O. 13132, *Federalism*, and the Presidential Memorandum ("Preemption") published in the **Federal Register** on May 22, 2009. E.O. 13132 requires agencies to assure meaningful and timely input by State and local officials in the development of regulatory policies that may have "substantial direct effects on the States, on the relationship between the National Government and the States, or on the distribution of power and responsibilities among the various levels of government."

While the direct final rule may operate to preempt some State requirements, it will not impose any regulation that has substantial direct effects on the States, the relationship between the National Government and the States, or the distribution of power and responsibilities among the various levels of government. Section 60104(c) of the Federal Pipeline Safety Laws prohibits certain State safety regulation of interstate pipelines. Under the Federal Pipeline Safety Laws, States that have submitted a current certification under section 60105(a) can augment Federal pipeline safety requirements for intrastate pipelines regulated by PHMSA but may not approve safety requirements less stringent than those required by Federal law. A State may also regulate an intrastate pipeline facility that PHMSA does not regulate. The preemptive effect of the regulatory amendments in this direct final rule is limited to the minimum level necessary to achieve the objectives of the Federal

Pipeline Safety Laws. Therefore, the consultation and funding requirements of E.O. 13132 do not apply.

F. Regulatory Flexibility Act

The Regulatory Flexibility Act (RFA, 5 U.S.C. 601 *et seq.*) requires Federal agencies to conduct a Final Regulatory Flexibility Analysis (FRFA) for a final rule subject to notice-and-comment rulemaking, unless the agency certifies that the rule will not have a significant economic impact on a substantial number of small entities. The RFA applies only to rules for which an agency is required to first publish a proposed rule (*see* 5 U.S.C. 603(a) and 604(a)). PHMSA is not required to publish a notice of proposed rulemaking for this DFR, so the RFA does not apply. However, PHMSA expects no affected operators will face significant costs because the referenced standard is widely available for purchase at relatively low cost, most operators are already in compliance with the content of the referenced standard, and compliance costs for any remaining operators are expected to be negligible.

G. Unfunded Mandates Reform Act of 1995

The Unfunded Mandates Reform Act (UMRA, 2 U.S.C. 1501 *et seq.*) requires agencies to assess the effects of Federal regulatory actions on State, local, and Tribal governments, and the private sector. For any proposed or direct final rule that includes a Federal mandate that may result in the expenditure by State, local, and Tribal governments, in the aggregate of \$100 million or more in 1996 dollars (\$203 million in 2024 dollars) in any given year, the agency must prepare, amongst other things, a written statement that qualitatively and quantitatively assesses the costs and benefits of the Federal mandate.

This direct final rule does not impose unfunded mandates under UMRA because it does not result in costs of \$100 million or more (in 1996 dollars) per year for either State, local, or Tribal governments, or to the private sector.

H. National Environmental Policy Act

PHMSA has analyzed this rule pursuant to the National Environmental Policy Act (NEPA, 42 U.S.C. 4321 *et seq.*) and has determined it is categorically excluded under 23 CFR 771.117(c)(20), which applies to the promulgation of rules, regulations, and directives. Under section 9 of DOT Order 5610.1D ("DOT's Procedures for Considering Environmental Impacts"), PHMSA may apply a categorical exclusion established in another Operating Administration's procedures.

PHMSA followed the requirements outlined in DOT Order 5610.1D to apply a categorical exclusion issued by the Federal Highway Administration (FHWA) to this deregulatory action. PHMSA does not anticipate any adverse environmental impacts from this rule, and PHMSA has determined no unusual circumstances are present under 23 CFR 771.117(b). PHMSA's Categorical Exclusion Determination memo for this action is available on PHMSA's website.²

I. Executive Order 13175

PHMSA analyzed this direct final rule according to the principles and criteria in E.O. 13175, *Consultation and Coordination with Indian Tribal Governments*, and DOT Order 5301.1A ("Department of Transportation Tribal Consultation Policies and Procedures"). E.O. 13175 requires agencies to assure meaningful and timely input from Tribal government representatives in the development of rules that significantly or uniquely affect Tribal communities by imposing "substantial direct compliance costs" or "substantial direct effects" on such communities or the relationship or distribution of power between the Federal Government and Tribes.

PHMSA assessed the impact of the direct final rule and determined that it will not significantly or uniquely affect Tribal communities or Indian Tribal governments. The rulemaking's regulatory amendments have a broad, national scope; therefore, this direct final rule will not significantly or uniquely affect Tribal communities, much less impose substantial compliance costs on Native American Tribal governments or mandate Tribal action. For these reasons, PHMSA has concluded that the funding and consultation requirements of E.O. 13175 and DOT Order 5301.1A do not apply.

J. Paperwork Reduction Act

The Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*) and its implementing regulations at 5 CFR 1320.8(d) requires that PHMSA provide interested members of the public and affected agencies with an opportunity to comment on information collection and recordkeeping requests. This rulemaking will not create, amend, or rescind any existing information collections.

K. Executive Order 13609 and International Trade Analysis

E.O. 13609, *Promoting International Regulatory Cooperation*, requires agencies to consider whether the impacts associated with significant variations between domestic and international regulatory approaches are unnecessary or may impair the ability of American business to export and compete internationally. In meeting shared challenges involving health, safety, labor, security, environmental, and other issues, international regulatory cooperation can identify approaches that are at least as protective as those that are or would be adopted in the absence of such cooperation. International regulatory cooperation can also reduce, eliminate, or prevent unnecessary differences in regulatory requirements.

Similarly, the Trade Agreements Act of 1979 (Pub. L. 96–39), as amended by the Uruguay Round Agreements Act (Pub. L. 103–465), prohibits Federal agencies from establishing any standards or engaging in related activities that create unnecessary obstacles to the foreign commerce of the United States. For purposes of these requirements, Federal agencies may participate in the establishment of international standards, so long as the standards have a legitimate domestic objective, such as providing for safety, and do not operate to exclude imports that meet this objective. The statute also requires consideration of international standards and, where appropriate, that they be the basis for U.S. standards.

PHMSA engages with international standards setting bodies to protect the safety of the American public. PHMSA has assessed the effects of the direct final rule and has determined that its regulatory amendments will not cause unnecessary obstacles to foreign trade.

L. Cybersecurity and Executive Order 14028

E.O. 14028, *Improving the Nation's Cybersecurity*, directed the Federal Government to improve its efforts to identify, deter, and respond to "persistent and increasingly sophisticated malicious cyber campaigns." PHMSA has considered the effects of the direct final rule and has determined that its regulatory amendments will not materially affect the cybersecurity risk profile for pipeline facilities.

List of Subjects in 49 CFR Part 192

Incorporation by reference, Natural gas, Pipeline safety.

For the reasons set forth above, PHMSA amends 49 CFR part 192 as follows:

PART 192—TRANSPORTATION OF NATURAL AND OTHER GAS BY PIPELINE: MINIMUM FEDERAL SAFETY STANDARDS

■ 1. The authority citation for part 192 continues to read as follows:

Authority: 30 U.S.C. 185(w)(3), 49 U.S.C. 5103, 60101 *et seq.*, and 49 CFR 1.97.

■ 2. In § 192.7, revise paragraph (f)(13) to read as follows:

§ 192.7 What documents are incorporated by reference partly or wholly in this part?

* * * * *

(f) * * *
(13) ASTM D2564–20 (Reapproved 2024), Standard Specification for Solvent Cements for Poly (Vinyl Chloride) (PVC) Plastic Piping Systems, approved September 1, 2024, (ASTM D2564); IBR approved for § 192.281(b).

* * * * *

Issued in Washington, DC, on April 22, 2026, under the authority delegated in 49 CFR 1.97.

Paul J. Roberti
Administrator.

[FR Doc. 2026–08071 Filed 4–23–26; 8:45 am]

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DEPARTMENT OF TRANSPORTATION

Pipeline and Hazardous Materials Safety Administration

49 CFR Part 192

[Docket No. PHMSA–2026–1534; Amdt. No. 192–169]

RIN 2137–AG38

Pipeline Safety: Standards Update—NACE SP0206

AGENCY: Pipeline and Hazardous Materials Safety Administration (PHMSA), Department of Transportation (DOT).

ACTION: Direct final rule (DFR); request for comments.

SUMMARY: This DFR amends PHMSA's regulations to incorporate by reference an updated edition of industry standard NACE SP0206, Internal Corrosion Direct Assessment Methodology for Pipelines Carrying Normally Dry Natural Gas (DG–ICDA). This updated standard will maintain or improve public safety, prevent regulatory confusion, reduce compliance burdens on stakeholders, and satisfy a mandate in the National Technology Transfer and Advancement Act (NTTAA) of 1995.

² DOT, *Implementing Procedures*, <https://www.phmsa.dot.gov/planning-and-analytics/environmental-analysis-and-compliance/implementing-procedures>.

DATES: The DFR is effective January 1, 2027, unless adverse comments are received by June 23, 2026. If adverse comments are received, notification will be published in the **Federal Register** before the effective date withdrawing the rule and publishing a notice of proposed rulemaking to provide an additional opportunity for public comment. Compliance after June 23, 2026 is authorized. The incorporation by reference of certain material listed in this rule is approved by the Director of the **Federal Register** as of January 1, 2027.

ADDRESSES: You may submit comments identified by the Docket Number PHMSA-2026-1534 using any of the following methods:

E-Gov Web: <https://www.regulations.gov>. This site allows the public to enter comments on any **Federal Register** notice issued by any agency. Follow the online instructions for submitting comments.

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For commenting instructions and additional information about commenting, see **SUPPLEMENTARY INFORMATION**.

FOR FURTHER INFORMATION CONTACT: Brianna Wilson, Transportation Specialist, 1200 New Jersey Avenue SE, Washington, DC 20590, by phone at 771-215-0969 or email at brianna.wilson@dot.gov.

SUPPLEMENTARY INFORMATION:

I. General Discussion

Through this DFR, PHMSA is incorporating by reference an update to a voluntary, consensus industry technical standard already incorporated by reference within 49 CFR part 192. Specifically, PHMSA is updating the referenced edition of industry standard NACE SP0206, Internal Corrosion Direct Assessment Methodology for Pipelines Carrying Normally Dry Natural Gas (DG-ICDA), to the 2016 edition (NACE SP0206).

NACE SP0206 presents the current state of knowledge and technology applicable to the NACE internal corrosion direct assessment (ICDA) process for normally dry natural gas pipeline systems. The standard formalizes the ICDA process and helps pipeline operators identify corrosion-

related threats and mitigation measures in a consistent manner.

References to the 2016 version of the standard will replace the existing references within §§ 192.923 and 192.927 to NACE SP0206-2006, Standard Practice, "Internal Corrosion Direct Assessment Methodology for Pipelines Carrying Normally Dry Natural Gas (DG-ICDA)," December 1, 2006.

This updated standard will maintain or improve public safety, prevent regulatory confusion, and reduce compliance burdens on stakeholders. The National Technology Transfer and Advancement Act (NTTAA) of 1995 (15 U.S.C. 272 (note)) directs Federal agencies to, "when practical and consistent with applicable laws, use technical standards developed by voluntary consensus standard bodies instead of government-developed technical standards." Consistent with that mandate, PHMSA incorporates more than 80 industry standards by reference into the Federal Pipeline Safety Regulations (49 CFR parts 190-199); however, many standards become outdated over time as new editions become available. 49 U.S.C. 60102(l) directs PHMSA to update incorporated industry standards.

Updating this standard ensures better alignment of PHMSA's regulations with innovations in operational and management practices, materials, testing, and technological advancements; enhances compliance by avoiding conflict between different versions of the same industry standards; and facilitates safety-focused allocation of resources by pipeline operators. PHMSA technical experts have evaluated the changes in the updated edition of NACE SP0206 and concluded it will either maintain or enhance the protection of public safety. These updates effectively mitigate safety gaps by incorporating innovations in equipment design, operational and maintenance practices, and testing, while addressing latent vulnerabilities that were historically unidentifiable due to the technical limitations of legacy data-gathering and monitoring capabilities. PHMSA further concludes that the direct final rule's updated standard is technically feasible, reasonable, cost-effective, and practicable because of its respective anticipated commercial and public safety benefits; and because the benefits better support PHMSA's safety priorities compared to alternatives, thereby justifying any associated compliance costs.

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The standard incorporated in this direct final rule is available from the following website: <https://ibr.ansi.org/Standards/nace.aspx>. The material can also be obtained by interested parties through the applicable publisher contact information listed in § 192.7. Additional information regarding standards availability can be found at <https://www.phmsa.dot.gov/standards-rulemaking/pipeline/standards-incorporated-reference>.

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II. Regulatory Analysis and Notices

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B. Executive Order 12866

E.O. 12866, *Regulatory Planning and Review*, as implemented by DOT Order 2100.6B (“Policies and Procedures for Rulemaking”) and DOT Order 2100.7 (“Ensuring Reliance upon Sound Economic Analysis in Department of Transportation Policies, Programs, and Activities”), requires agencies to regulate in the “most cost-effective manner,” to make a “reasoned determination that the benefits of the intended regulation justify its costs,”

and to develop regulations that “impose the least burden on society.” In arriving at those conclusions, E.O. 12866 requires that agencies should consider “both quantifiable measures . . . and qualitative measures of costs and benefits that are difficult to quantify” and “maximize net benefits . . . unless a statute requires another regulatory approach.” E.O. 12866 also requires that “agencies should assess all costs and benefits of available regulatory alternatives, including the alternative of not regulating.” DOT Order 2100.6B directs that PHMSA and other Operating Administrations must generally choose the “least costly regulatory alternative that achieves the relevant objectives” unless required by law or compelling safety need. DOT Order 2100.6B also specifies that regulations should generally “not be issued unless their benefits are expected to exceed their costs” except where required by law or compelling safety need. DOT Order 2100.7 requires that “all rulemaking activities shall be based on sound economic principles and analysis supported by rigorous cost-benefit requirement.”

E.O. 12866 and DOT Order 2100.6B also require that PHMSA submit “significant regulatory actions” to the Office of Information and Regulatory Affairs (OIRA) within the Executive Office of the President’s Office of Management and Budget (OMB) for review. This final rule is a not significant regulatory action pursuant to E.O. 12866; OMB also has not designated this rule as a “major rule” as defined by the Congressional Review Act (5 U.S.C. 801 *et seq.*).

PHMSA has complied with the procedural and analytical requirements in E.O. 12866 as implemented by DOT Order 2100.6B and DOT Order 2100.7 and determined that this direct final rule may result in minimal cost savings by reducing regulatory burdens and regulatory uncertainty for pipeline facility operators. In general, updates to consensus industry standards are widely accepted and followed on a voluntary basis throughout most of the pipeline industry. PHMSA understands that most pipeline operators already purchase and voluntarily apply industry standards—including the updated standard that is the subject of this rulemaking—within their ordinary business practices. Incorporation of the updated version of the standard referenced in this direct final rule will help ensure that the industry is not forced to incur the additional cost of complying with different versions of the same standard. The cost savings of this rulemaking could not be quantified.

Updating to a more recent edition of the industry standard will ensure better alignment of PHMSA’s regulations with innovations in operations and maintenance practices, equipment design, and testing. These updates address known safety risks, encourage facilities to invest in safety enhancing innovations, and improve public safety.

C. Executive Orders 14192 and Executive Order 14219

This direct final rule is considered a deregulatory action pursuant to E.O. 14192, *Unleashing Prosperity Through Deregulation*. PHMSA estimates that the total costs of the direct final rule on the regulated community will be less than zero. Nor do the regulatory amendments herein implicate any of the factors identified in section 2(a) of E.O. 14219, *Ensuring Lawful Governance and Implementing the President’s “Department of Government Efficiency” Deregulatory Initiative*, indicative that a regulation is “unlawful . . . [or] that undermine[s] the national interest.”

D. Energy-Related Executive Orders 13211, 14154, and 14156

The President has declared in E.O. 14156, *Declaring a National Energy Emergency*, a National emergency to address inadequate U.S. energy development production, transportation, refining, and generation capacity. Similarly, E.O. 14154, *Unleashing American Energy*, asserts a Federal policy to unleash American energy by ensuring access to abundant supplies of reliable, affordable energy from (inter alia) the removal of “undue burden[s]” on the identification, development, or use of domestic energy resources such as PHMSA-jurisdictional gasses and hazardous liquids. PHMSA finds this direct final rule is consistent with each of E.O. 14156 and E.O. 14154. The direct final rule will give affected pipeline operators the benefit of using the updated standard to maintain or improve public safety, prevent regulatory confusion, and reduce compliance burdens on stakeholders. PHMSA therefore expects the regulatory amendments in this direct final rule will in turn increase national pipeline transportation capacity and improve pipeline operators’ ability to provide abundant, reliable, affordable natural gas in response to residential, commercial, and industrial demand.

However, this direct final rule is not a “significant energy action” under E.O. 13211, *Actions Concerning Regulations That Significantly Affect Energy Supply, Distribution, or Use*, which requires Federal agencies to prepare a Statement of Energy Effects for any “significant

energy action.” Because this direct final rule is not a significant action under E.O. 12866, it will not have a significant adverse effect on supply, distribution, or energy use.

E. Executive Order 13132: Federalism

PHMSA analyzed this direct final rule in accordance with the principles and criteria contained in E.O. 13132, *Federalism*, and the Presidential Memorandum (“Preemption”) published in the **Federal Register** on May 22, 2009. E.O. 13132 requires agencies to assure meaningful and timely input by State and local officials in the development of regulatory policies that may have “substantial direct effects on the States, on the relationship between the National Government and the States, or on the distribution of power and responsibilities among the various levels of government.”

While the direct final rule may operate to preempt some State requirements, it will not impose any regulation that has substantial direct effects on the States, the relationship between the National Government and the States, or the distribution of power and responsibilities among the various levels of government. Section 60104(c) of the Federal Pipeline Safety Laws prohibits certain State safety regulation of interstate pipelines. Under the Federal Pipeline Safety Laws, States that have submitted a current certification under section 60105(a) can augment Federal pipeline safety requirements for intrastate pipelines regulated by PHMSA but may not approve safety requirements less stringent than those required by Federal law. A State may also regulate an intrastate pipeline facility that PHMSA does not regulate. The preemptive effect of the regulatory amendments in this direct final rule is limited to the minimum level necessary to achieve the objectives of the Federal Pipeline Safety Laws. Therefore, the consultation and funding requirements of E.O. 13132 do not apply.

F. Regulatory Flexibility Act

The Regulatory Flexibility Act (RFA, 5 U.S.C. 601 *et seq.*) requires Federal agencies to conduct a Final Regulatory Flexibility Analysis (FRFA) for a final rule subject to notice-and-comment rulemaking, unless the agency certifies that the rule will not have a significant economic impact on a substantial number of small entities. The RFA applies only to rules for which an agency is required to first publish a proposed rule (*see* 5 U.S.C. 603(a) and 604(a)). PHMSA is not required to publish a notice of proposed rulemaking

for this DFR, so the RFA does not apply. However, PHMSA expects no affected operators will face significant costs because the referenced standard is widely available for purchase at relatively low cost, most operators are already in compliance with the content of the referenced standard, and compliance costs for any remaining operators are expected to be negligible.

G. Unfunded Mandates Reform Act of 1995

The Unfunded Mandates Reform Act (UMRA, 2 U.S.C. 1501 *et seq.*) requires agencies to assess the effects of Federal regulatory actions on State, local, and Tribal governments, and the private sector. For any proposed or direct final rule that includes a Federal mandate that may result in the expenditure by State, local, and Tribal governments, in the aggregate of \$100 million or more in 1996 dollars (\$203 million in 2024 dollars) in any given year, the agency must prepare, amongst other things, a written statement that qualitatively and quantitatively assesses the costs and benefits of the Federal mandate.

This direct final rule does not impose unfunded mandates under UMRA because it does not result in costs of \$100 million or more (in 1996 dollars) per year for either State, local, or Tribal governments, or to the private sector.

H. National Environmental Policy Act

PHMSA has analyzed this rule pursuant to the National Environmental Policy Act (NEPA, 42 U.S.C. 4321 *et seq.*) and has determined it is categorically excluded under 23 CFR 771.117(c)(20), which applies to the promulgation of rules, regulations, and directives. Under section 9 of DOT Order 5610.1D (“DOT’s Procedures for Considering Environmental Impacts”), PHMSA may apply a categorical exclusion established in another Operating Administration’s procedures. PHMSA followed the requirements outlined in DOT Order 5610.1D to apply a categorical exclusion issued by the Federal Highway Administration (FHWA) to this deregulatory action. PHMSA does not anticipate any adverse environmental impacts from this rule, and PHMSA has determined no unusual circumstances are present under 23 CFR 771.117(b). PHMSA’s Categorical Exclusion Determination memo for this action is available on PHMSA’s website.¹

¹ DOT, *Implementing Procedures*, <https://www.phmsa.dot.gov/planning-and-analytics/environmental-analysis-and-compliance/implementing-procedures>.

I. Executive Order 13175

PHMSA analyzed this direct final rule according to the principles and criteria in E.O. 13175, *Consultation and Coordination with Indian Tribal Governments*, and DOT Order 5301.1A (“Department of Transportation Tribal Consultation Policies and Procedures”). E.O. 13175 requires agencies to assure meaningful and timely input from Tribal government representatives in the development of rules that significantly or uniquely affect Tribal communities by imposing “substantial direct compliance costs” or “substantial direct effects” on such communities or the relationship or distribution of power between the Federal Government and Tribes.

PHMSA assessed the impact of the direct final rule and determined that it will not significantly or uniquely affect Tribal communities or Indian Tribal governments. The rulemaking’s regulatory amendments have a broad, national scope; therefore, this direct final rule will not significantly or uniquely affect Tribal communities, much less impose substantial compliance costs on Native American Tribal governments or mandate Tribal action. For these reasons, PHMSA has concluded that the funding and consultation requirements of E.O. 13175 and DOT Order 5301.1A do not apply.

J. Paperwork Reduction Act

The Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*) and its implementing regulations at 5 CFR 1320.8(d) requires that PHMSA provide interested members of the public and affected agencies with an opportunity to comment on information collection and recordkeeping requests. This rulemaking will not create, amend, or rescind any existing information collections.

K. Executive Order 13609 and International Trade Analysis

E.O. 13609, *Promoting International Regulatory Cooperation*, requires agencies to consider whether the impacts associated with significant variations between domestic and international regulatory approaches are unnecessary or may impair the ability of American business to export and compete internationally. In meeting shared challenges involving health, safety, labor, security, environmental, and other issues, international regulatory cooperation can identify approaches that are at least as protective as those that are or would be adopted in the absence of such cooperation. International regulatory cooperation can

also reduce, eliminate, or prevent unnecessary differences in regulatory requirements.

Similarly, the Trade Agreements Act of 1979 (Pub. L. 96–39), as amended by the Uruguay Round Agreements Act (Pub. L. 103–465), prohibits Federal agencies from establishing any standards or engaging in related activities that create unnecessary obstacles to the foreign commerce of the United States. For purposes of these requirements, Federal agencies may participate in the establishment of international standards, so long as the standards have a legitimate domestic objective, such as providing for safety, and do not operate to exclude imports that meet this objective. The statute also requires consideration of international standards and, where appropriate, that they be the basis for U.S. standards.

PHMSA engages with international standards setting bodies to protect the safety of the American public. PHMSA has assessed the effects of the direct final rule and has determined that its regulatory amendments will not cause unnecessary obstacles to foreign trade.

L. Cybersecurity and Executive Order 14028

E.O. 14028, *Improving the Nation's Cybersecurity*, directed the Federal Government to improve its efforts to identify, deter, and respond to “persistent and increasingly sophisticated malicious cyber campaigns.” PHMSA has considered the effects of the direct final rule and has determined that its regulatory amendments will not materially affect the cybersecurity risk profile for pipeline facilities.

List of Subjects in 49 CFR Part 192

Incorporation by reference, Natural gas, Pipeline safety.

For the reasons set forth above, PHMSA amends 49 CFR part 192 as follows:

PART 192—TRANSPORTATION OF NATURAL AND OTHER GAS BY PIPELINE: MINIMUM FEDERAL SAFETY STANDARDS

- 1. The authority citation for part 192 continues to read as follows:

Authority: 30 U.S.C. 185(w)(3), 49 U.S.C. 5103, 60101 *et seq.*, and 49 CFR 1.97.

- 2. In § 192.7, revise paragraph (e)(4) to read as follows:

§ 192.7 What documents are incorporated by reference partly or wholly in this part?

* * * * *

(e) * * *

(4) NACE SP0206–2016, Standard Practice, “Internal Corrosion Direct Assessment Methodology for Pipelines Carrying Normally Dry Natural Gas (DG–ICDA),” 2016, (NACE SP0206), IBR approved for §§ 192.923(b); 192.927(b), (c).

* * * * *

Issued in Washington, DC, on April 22, 2026, under the authority delegated in 49 CFR 1.97.

Paul J. Roberti,
Administrator.

[FR Doc. 2026–08052 Filed 4–23–26; 8:45 am]

BILLING CODE 4910–60–P

DEPARTMENT OF TRANSPORTATION

Pipeline and Hazardous Materials Safety Administration

49 CFR Part 192

[Docket No. PHMSA–2026–1531; Amdt. No. 192–167]

RIN 2137–AG35

Pipeline Safety: Standards Update—ASTM F1055

AGENCY: Pipeline and Hazardous Materials Safety Administration (PHMSA), Department of Transportation (DOT).

ACTION: Direct final rule (DFR); request for comments.

SUMMARY: This DFR amends PHMSA’s regulations to incorporate by reference an updated edition of industry standard ASTM F1055, Standard Specification for Electrofusion Type Polyethylene Fittings for Outside Diameter Controlled Polyethylene and Crosslinked Polyethylene (PEX) Pipe and Tubing. This updated standard will maintain or improve public safety, prevent regulatory confusion, reduce compliance burdens on stakeholders, and satisfy a mandate in the National Technology Transfer and Advancement Act (NTTAA) of 1995.

DATES: The DFR is effective January 1, 2027, unless adverse comments are received by June 23, 2026. If adverse comments are received, notification will be published in the **Federal Register** before the effective date withdrawing the rule and publishing a notice of proposed rulemaking to provide an additional opportunity for public comment. Compliance after June 23, 2026 is authorized. The incorporation by reference of certain material listed in this rule is approved by the Director of the Federal Register as of January 1, 2027.

ADDRESSES: You may submit comments identified by the Docket Number PHMSA–2026–1531 using any of the following methods:

E-Gov Web: <https://www.regulations.gov>. This site allows the public to enter comments on any **Federal Register** notice issued by any agency. Follow the online instructions for submitting comments.

Mail: Docket Management System: U.S. Department of Transportation, 1200 New Jersey Avenue SE, West Building Ground Floor, Room W12–140, Washington, DC 20590–0001.

Alternatively, hand delivery is available to this address between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

Fax: 1–202–493–2251.

For commenting instructions and additional information about commenting, see **SUPPLEMENTARY INFORMATION**.

FOR FURTHER INFORMATION CONTACT:

Alyssa Imam, Transportation Specialist, 1200 New Jersey Avenue SE, Washington, DC 20590, by phone at 202–738–3850 or email at alyssa.imam@dot.gov.

SUPPLEMENTARY INFORMATION:

I. General Discussion

Through this DFR, PHMSA is incorporating by reference an update to a voluntary, consensus industry technical standard already incorporated by reference within 49 CFR part 192. Specifically, PHMSA is updating the referenced edition of industry standard ASTM F1055, Standard Specification for Electrofusion Type Polyethylene Fittings for Outside Diameter Controlled Polyethylene and Crosslinked Polyethylene (PEX) Pipe and Tubing, to the reapproved 2022 edition (ASTM F1055).

ASTM F1055 covers electrofusion-type polyethylene fittings for outside diameter-controlled polyethylene pipe and tubing.

References to the reapproved 2022 edition of the standard will replace existing references in § 192.283(a) and Appendix B to part 192 to ASTM F1055–16a, Standard Specification for Electrofusion Type Polyethylene Fittings for Outside Diameter Controlled Polyethylene and Crosslinked Polyethylene (PEX) Pipe and Tubing, approved November 15, 2016.¹ In parallel with updating in August 2025 regulatory references to this standard to

¹ PHMSA, *Periodic Safety: Periodic Standards Update II*, 90 FR 40749 (Aug. 21, 2025) (effective Jan. 10, 2026). The current direct final rule reflects the list of references as they will exist after this effective date.

the 2016 edition, PHMSA continued to review more recent editions of the standard for potential incorporation in its regulations. Based on that technical review, PHMSA now supports updating of the standard to the 2022 version.

This updated standard will maintain or improve public safety, prevent regulatory confusion, and reduce compliance burdens on stakeholders. The National Technology Transfer and Advancement Act (NTTAA) of 1995 (15 U.S.C. 272 (note)) directs Federal agencies to, “when practical and consistent with applicable laws, use technical standards developed by voluntary consensus standard bodies instead of government-developed technical standards.” Consistent with that mandate, PHMSA incorporates more than 80 industry standards by reference into the Federal Pipeline Safety Regulations (49 CFR parts 190–199); however, many standards become outdated over time as new editions become available. 49 U.S.C. 60102(l) directs PHMSA to update incorporated industry standards.

Updating this standard ensures better alignment of PHMSA’s regulations with innovations in operational and management practices, materials, testing, and technological advancements; enhances compliance by avoiding conflict between different versions of the same industry standards; and facilitates safety-focused allocation of resources by pipeline operators. PHMSA technical experts have evaluated the changes in the updated edition of ASTM F1055 and concluded it will either maintain or enhance the protection of public safety. These updates effectively mitigate safety gaps by incorporating innovations in equipment design, operational and maintenance practices, and testing, while addressing latent vulnerabilities that were historically unidentified due to the technical limitations of legacy data-gathering and monitoring capabilities. Indeed, PHMSA on August 21, 2025, published a final rule updating the reference within part 192 to the 2016 edition of this standard after preliminarily finding the revisions in that edition enhanced pipeline safety (90 FR 40749); PHMSA’s evaluation of the handful of changes introduced in the standard since 2016 yield a similar conclusion regarding their safety impact. PHMSA further concludes that the direct final rule’s updated standard is technically feasible, reasonable, cost-effective, and practicable because of its respective anticipated commercial and public safety benefits; and because the benefits better support PHMSA’s safety priorities compared to alternatives,

thereby justifying any associated compliance costs.

Availability of Materials to Interested Parties

Pursuant to section 24 of the Pipeline Safety, Regulatory Certainty, and Job Creation Act of 2011 (Pub. L. 112–90, codified at 49 U.S.C. 60102(p)), “the Secretary may not issue a regulation pursuant to this chapter that incorporates any documents or portions thereof unless the documents or portions thereof are made available to the public, free of charge.” The standard incorporated in this direct final rule is available from the following website: <https://www.astm.org/products-services/reading-room.html>. The material can also be obtained by interested parties through the applicable publisher contact information listed in § 192.7. Additional information regarding standards availability can be found at <https://www.phmsa.dot.gov/standards-rulemaking/pipeline/standards-incorporated-reference>.

Commenting Instructions: Please include the docket number PHMSA–2026–1531 at the beginning of your comments. If you submit your comments by mail, submit two copies. If you wish to receive confirmation that PHMSA received your comments, include a self-addressed stamped postcard. Internet users may submit comments at <https://www.regulations.gov>.

Note: Comments are posted without changes or edits to <https://www.regulations.gov>, including any personal information provided. There is a privacy statement published on <https://www.regulations.gov>.

Privacy Act: In accordance with 5 U.S.C. 553(c), DOT solicits comments from the public to inform its rulemaking process. DOT posts these comments, without edit, including any personal information the commenter provides, to our docket at <https://www.regulations.gov>. You may review DOT’s Complete Privacy Act Statement by visiting <https://www.dot.gov/privacy>.

Confidential Business Information: Confidential Business Information (CBI) is commercial or financial information that is both customarily and actually treated as private by its owner. Under the Freedom of Information Act (FOIA, 5 U.S.C. 552), CBI is exempt from public disclosure. It is important that you clearly designate the comments submitted as CBI if: your comments responsive to this document contain commercial or financial information that is customarily treated as private; you actually treat such information as private; and your comment is relevant

or responsive to this notice. Pursuant to 49 CFR 190.343, you may ask PHMSA to provide confidential treatment to information you give to the agency by taking the following steps: (1) mark each page of the original document submission containing CBI as “Confidential;” (2) send PHMSA, along with the original document, a second copy of the original document with the CBI deleted; and (3) explain why the information that you are submitting is CBI. Submissions containing CBI should be sent to Brianna Wilson, Standards and Rulemaking Division, Pipeline and Hazardous Materials Safety Administration (PHMSA), 2nd Floor, 1200 New Jersey Avenue SE, Washington, DC 20590–0001, or by email at brianna.wilson@dot.gov. Any materials PHMSA receives that is not specifically designated as CBI will be placed in the public docket.

Docket: For access to the docket to read background documents or comments received, go to <http://www.regulations.gov>. Follow the online instructions for accessing the docket. Alternatively, you may review the documents in person at the street address listed above.

II. Regulatory Analysis and Notices

A. Legal Authority

This direct final rule is published under the authority of the Secretary of Transportation set forth in the Federal Pipeline Safety Laws (49 U.S.C. 60101 *et seq.*) and delegated to the PHMSA Administrator pursuant to 49 CFR 1.97. PHMSA has determined that this direct final rule—which updates an industry standard already incorporated by reference into its regulations—is unlikely to elicit significant adverse comment. *See* 49 U.S.C. 60102(b)(6)(A). PHMSA similarly finds that publication of a proposed rulemaking on which comment is solicited would be “unnecessary” pursuant to section 553(b)(B) of the Administrative Procedure Act (5 U.S.C. 551 *et seq.*) because this rulemaking merely adopts an updated version of an industry standard reflecting a broad consensus among affected industry stakeholders.

B. Executive Order 12866

E.O. 12866, *Regulatory Planning and Review*, as implemented by DOT Order 2100.6B (“Policies and Procedures for Rulemaking”) and DOT Order 2100.7 (“Ensuring Reliance upon Sound Economic Analysis in Department of Transportation Policies, Programs, and Activities”), requires agencies to regulate in the “most cost-effective manner,” to make a “reasoned

determination that the benefits of the intended regulation justify its costs,” and to develop regulations that “impose the least burden on society.” In arriving at those conclusions, E.O. 12866 requires that agencies should consider “both quantifiable measures . . . and qualitative measures of costs and benefits that are difficult to quantify” and “maximize net benefits . . . unless a statute requires another regulatory approach.” E.O. 12866 also requires that “agencies should assess all costs and benefits of available regulatory alternatives, including the alternative of not regulating.” DOT Order 2100.6B directs that PHMSA and other Operating Administrations must generally choose the “least costly regulatory alternative that achieves the relevant objectives” unless required by law or compelling safety need. DOT Order 2100.6B also specifies that regulations should generally “not be issued unless their benefits are expected to exceed their costs” except where required by law or compelling safety need. DOT Order 2100.7 requires that “all rulemaking activities shall be based on sound economic principles and analysis supported by rigorous cost-benefit requirement.”

E.O. 12866 and DOT Order 2100.6B also require that PHMSA submit “significant regulatory actions” to the Office of Information and Regulatory Affairs (OIRA) within the Executive Office of the President’s Office of Management and Budget (OMB) for review. This final rule is a not significant regulatory action pursuant to E.O. 12866; OMB also has not designated this rule as a “major rule” as defined by the Congressional Review Act (5 U.S.C. 801 *et seq.*).

PHMSA has complied with the procedural and analytical requirements in E.O. 12866 as implemented by DOT Order 2100.6B and DOT Order 2100.7 and determined that this direct final rule may result in minimal cost savings by reducing regulatory burdens and regulatory uncertainty for pipeline facility operators. In general, updates to consensus industry standards are widely accepted and followed on a voluntary basis throughout most of the pipeline industry. PHMSA understands that most pipeline operators already purchase and voluntarily apply industry standards—including the updated standard that is the subject of this rulemaking—within their ordinary business practices. Incorporation of the updated version of the standard referenced in this direct final rule will help ensure that the industry is not forced to incur the additional cost of complying with different versions of the

same standard. The cost savings of this rulemaking could not be quantified.

Updating to a more recent edition of the industry standard will ensure better alignment of PHMSA’s regulations with innovations in operational and maintenance practices, equipment design, and testing. These updates address known safety risks, encourage facilities to invest in safety enhancing innovations, and improve public safety.

C. Executive Orders 14192 and Executive Order 14219

This direct final rule is considered a deregulatory action pursuant to E.O. 14192, *Unleashing Prosperity Through Deregulation*. PHMSA estimates that the total costs of the direct final rule on the regulated community will be less than zero. Nor do the regulatory amendments herein implicate any of the factors identified in section 2(a) of E.O. 14219, *Ensuring Lawful Governance and Implementing the President’s “Department of Government Efficiency” Deregulatory Initiative*, indicative that a regulation is “unlawful . . . [or] that undermine[s] the national interest.”

D. Energy-Related Executive Orders 13211, 14154, and 14156

The President has declared in E.O. 14156, *Declaring a National Energy Emergency*, a National emergency to address inadequate U.S. energy development production, transportation, refining, and generation capacity. Similarly, E.O. 14154, *Unleashing American Energy*, asserts a Federal policy to unleash American energy by ensuring access to abundant supplies of reliable, affordable energy from (inter alia) the removal of “undue burden[s]” on the identification, development, or use of domestic energy resources such as PHMSA-jurisdictional gasses and hazardous liquids. PHMSA finds this direct final rule is consistent with each of E.O. 14156 and E.O. 14154. The direct final rule will give affected pipeline operators the benefit of using the updated standard to maintain or improve public safety, prevent regulatory confusion, and reduce compliance burdens on stakeholders. PHMSA therefore expects the regulatory amendments in this direct final rule will in turn increase national pipeline transportation capacity and improve pipeline operators’ ability to provide abundant, reliable, affordable natural gas in response to residential, commercial, and industrial demand.

However, this direct final rule is not a “significant energy action” under E.O. 13211, *Actions Concerning Regulations That Significantly Affect Energy Supply, Distribution, or Use*, which requires

Federal agencies to prepare a Statement of Energy Effects for any “significant energy action.” Because this direct final rule is not a significant action under E.O. 12866, it will not have a significant adverse effect on supply, distribution, or energy use.

E. Executive Order 13132: Federalism

PHMSA analyzed this direct final rule in accordance with the principles and criteria contained in E.O. 13132, *Federalism*, and the Presidential Memorandum (“Preemption”) published in the **Federal Register** on May 22, 2009. E.O. 13132 requires agencies to assure meaningful and timely input by State and local officials in the development of regulatory policies that may have “substantial direct effects on the States, on the relationship between the National Government and the States, or on the distribution of power and responsibilities among the various levels of government.”

While the direct final rule may operate to preempt some State requirements, it will not impose any regulation that has substantial direct effects on the States, the relationship between the National Government and the States, or the distribution of power and responsibilities among the various levels of government. Section 60104(c) of the Federal Pipeline Safety Laws prohibits certain State safety regulation of interstate pipelines. Under the Federal Pipeline Safety Laws, States that have submitted a current certification under section 60105(a) can augment Federal pipeline safety requirements for intrastate pipelines regulated by PHMSA but may not approve safety requirements less stringent than those required by Federal law. A State may also regulate an intrastate pipeline facility that PHMSA does not regulate. The preemptive effect of the regulatory amendments in this direct final rule is limited to the minimum level necessary to achieve the objectives of the Federal Pipeline Safety Laws. Therefore, the consultation and funding requirements of E.O. 13132 do not apply.

F. Regulatory Flexibility Act

The Regulatory Flexibility Act (RFA, 5 U.S.C. 601 *et seq.*) requires Federal agencies to conduct a Final Regulatory Flexibility Analysis (FRFA) for a final rule subject to notice-and-comment rulemaking, unless the agency certifies that the rule will not have a significant economic impact on a substantial number of small entities. The RFA applies only to rules for which an agency is required to first publish a proposed rule (see 5 U.S.C. 603(a) and

604(a)). PHMSA is not required to publish a notice of proposed rulemaking for this DFR, so the RFA does not apply. However, PHMSA expects no affected operators will face significant costs because the referenced standard is widely available for purchase at relatively low cost, most operators are already in compliance with the content of the referenced standard, and compliance costs for any remaining operators are expected to be negligible.

G. Unfunded Mandates Reform Act of 1995

The Unfunded Mandates Reform Act (UMRA, 2 U.S.C. 1501 *et seq.*) requires agencies to assess the effects of Federal regulatory actions on State, local, and Tribal governments, and the private sector. For any proposed or direct final rule that includes a Federal mandate that may result in the expenditure by State, local, and Tribal governments, in the aggregate of \$100 million or more in 1996 dollars (\$203 million in 2024 dollars) in any given year, the agency must prepare, amongst other things, a written statement that qualitatively and quantitatively assesses the costs and benefits of the Federal mandate.

This direct final rule does not impose unfunded mandates under UMRA because it does not result in costs of \$100 million or more (in 1996 dollars) per year for either State, local, or Tribal governments, or to the private sector.

H. National Environmental Policy Act

PHMSA has analyzed this rule pursuant to the National Environmental Policy Act (NEPA, 42 U.S.C. 4321 *et seq.*) and has determined it is categorically excluded under 23 CFR 771.117(c)(20), which applies to the promulgation of rules, regulations, and directives. Under section 9 of DOT Order 5610.1D (“DOT’s Procedures for Considering Environmental Impacts”), PHMSA may apply a categorical exclusion established in another Operating Administration’s procedures. PHMSA followed the requirements outlined in DOT Order 5610.1D to apply a categorical exclusion issued by the Federal Highway Administration (FHWA) to this deregulatory action. PHMSA does not anticipate any adverse environmental impacts from this rule, and PHMSA has determined no unusual circumstances are present under 23 CFR 771.117(b). PHMSA’s Categorical Exclusion Determination memo for this action is available on PHMSA’s website.²

I. Executive Order 13175

PHMSA analyzed this direct final rule according to the principles and criteria in E.O. 13175, *Consultation and Coordination with Indian Tribal Governments*, and DOT Order 5301.1A (“Department of Transportation Tribal Consultation Policies and Procedures”). E.O. 13175 requires agencies to assure meaningful and timely input from Tribal government representatives in the development of rules that significantly or uniquely affect Tribal communities by imposing “substantial direct compliance costs” or “substantial direct effects” on such communities or the relationship or distribution of power between the Federal Government and Tribes.

PHMSA assessed the impact of the direct final rule and determined that it will not significantly or uniquely affect Tribal communities or Indian Tribal governments. The rulemaking’s regulatory amendments have a broad, national scope; therefore, this direct final rule will not significantly or uniquely affect Tribal communities, much less impose substantial compliance costs on Native American Tribal governments or mandate Tribal action. For these reasons, PHMSA has concluded that the funding and consultation requirements of E.O. 13175 and DOT Order 5301.1A do not apply.

J. Paperwork Reduction Act

The Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*) and its implementing regulations at 5 CFR 1320.8(d) requires that PHMSA provide interested members of the public and affected agencies with an opportunity to comment on information collection and recordkeeping requests. This rulemaking will not create, amend, or rescind any existing information collections.

K. Executive Order 13609 and International Trade Analysis

E.O. 13609, *Promoting International Regulatory Cooperation*, requires agencies to consider whether the impacts associated with significant variations between domestic and international regulatory approaches are unnecessary or may impair the ability of American business to export and compete internationally. In meeting shared challenges involving health, safety, labor, security, environmental, and other issues, international regulatory cooperation can identify approaches that are at least as protective as those that are or would be adopted in the absence of such cooperation. International regulatory cooperation can

also reduce, eliminate, or prevent unnecessary differences in regulatory requirements.

Similarly, the Trade Agreements Act of 1979 (Pub. L. 96–39), as amended by the Uruguay Round Agreements Act (Pub. L. 103–465), prohibits Federal agencies from establishing any standards or engaging in related activities that create unnecessary obstacles to the foreign commerce of the United States. For purposes of these requirements, Federal agencies may participate in the establishment of international standards, so long as the standards have a legitimate domestic objective, such as providing for safety, and do not operate to exclude imports that meet this objective. The statute also requires consideration of international standards and, where appropriate, that they be the basis for U.S. standards.

PHMSA engages with international standards setting bodies to protect the safety of the American public. PHMSA has assessed the effects of the direct final rule and has determined that its regulatory amendments will not cause unnecessary obstacles to foreign trade.

L. Cybersecurity and Executive Order 14028

E.O. 14028, *Improving the Nation’s Cybersecurity*, directed the Federal Government to improve its efforts to identify, deter, and respond to “persistent and increasingly sophisticated malicious cyber campaigns.” PHMSA has considered the effects of the direct final rule and has determined that its regulatory amendments will not materially affect the cybersecurity risk profile for pipeline facilities.

List of Subjects in 49 CFR Part 192

Incorporation by reference, Natural gas, Pipeline safety.

For the reasons set forth above, PHMSA amends 49 CFR part 192:

PART 192—TRANSPORTATION OF NATURAL AND OTHER GAS BY PIPELINE: MINIMUM FEDERAL SAFETY STANDARDS

■ 1. The authority citation for part 192 continues to read as follows:

Authority: 30 U.S.C. 185(w)(3), 49 U.S.C. 5103, 60101 *et seq.*, and 49 CFR 1.97.

■ 2. In § 192.7, revise paragraph (f)(14) to read as follows:

§ 192.7 What documents are incorporated by reference partly or wholly in this part?

* * * * *

(f) * * *
(14) ASTM F1055–16a (Reapproved 2022), Standard Specification for

² DOT, *Implementing Procedures*, <https://www.phmsa.dot.gov/planning-and-analytics/environmental-analysis-and-compliance/implementing-procedures>.

Electrofusion Type Polyethylene Fittings for Outside Diameter Controlled Polyethylene and Crosslinked Polyethylene (PEX) Pipe and Tubing, approved November 1, 2022, (ASTM F1055); IBR approved for § 192.283(a); appendix B to this part.

* * * * *

Issued in Washington, DC, on April 22, 2026, under the authority delegated in 49 CFR 1.97.

Paul J. Roberti,
Administrator.

[FR Doc. 2026–08049 Filed 4–23–26; 8:45 am]

BILLING CODE 4910–60–P

DEPARTMENT OF TRANSPORTATION

Pipeline and Hazardous Materials Safety Administration

49 CFR Part 192

[Docket No. PHMSA–2026–1529; Amdt. No. 192–165]

RIN 2137–AG33

Pipeline Safety: Standards Update—ASTM F2767

AGENCY: Pipeline and Hazardous Materials Safety Administration (PHMSA), Department of Transportation (DOT).

ACTION: Direct final rule (DFR); request for comments.

SUMMARY: This DFR amends PHMSA's regulations to incorporate by reference an updated edition of industry standard ASTM F2767, Standard Specification for Electrofusion Type Polyamide-12 Fittings for Outside Diameter Controlled Polyamide-12 Pipe and Tubing for Gas Distribution. This updated standard will maintain or improve public safety, prevent regulatory confusion, reduce compliance burdens on stakeholders, and satisfy a mandate in the National Technology Transfer and Advancement Act (NTTAA) of 1995.

DATES: The DFR is effective January 1, 2027, unless adverse comments are received by June 23, 2026. If adverse comments are received, notification will be published in the **Federal Register** before the effective date withdrawing the rule and publishing a notice of proposed rulemaking to provide an additional opportunity for public comment. Compliance after June 23, 2026 is authorized. The incorporation by reference of certain material listed in this rule is approved by the Director of the Federal Register as of January 1, 2027.

ADDRESSES: You may submit comments identified by the Docket Number

PHMSA–2026–1529 using any of the following methods:

E-Gov Web: <https://www.regulations.gov>. This site allows the public to enter comments on any **Federal Register** notice issued by any agency. Follow the online instructions for submitting comments.

Mail: Docket Management System: U.S. Department of Transportation, 1200 New Jersey Avenue SE, West Building Ground Floor, Room W12–140, Washington, DC 20590–0001.

Alternatively, hand delivery is available to this address between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

Fax: 1–202–493–2251.

For commenting instructions and additional information about commenting, see **SUPPLEMENTARY INFORMATION**.

FOR FURTHER INFORMATION CONTACT:

Brianna Wilson, Transportation Specialist, 1200 New Jersey Avenue SE, Washington, DC 20590, by phone at 771–215–0969 or email at brianna.wilson@dot.gov.

SUPPLEMENTARY INFORMATION:

I. General Discussion

Through this DFR, PHMSA is incorporating by reference an update to a voluntary, consensus industry technical standard already incorporated by reference within 49 CFR part 192. Specifically, PHMSA is updating the referenced edition of industry standard ASTM F2767, Standard Specification for Electrofusion Type Polyamide-12 Fittings for Outside Diameter Controlled Polyamide-12 Pipe and Tubing for Gas Distribution, to the approved 2024 edition (ASTM F2767).

ASTM F2767 presents the current state of knowledge and technology applicable to PA12 electrofusion fittings for use with outside-diameter-controlled PA12 pipe, as covered by ASTM F2785. The standard also includes requirements for materials, workmanship, and testing performance.

A reference to the 2024 version of the standard will replace the existing reference within Appendix B to part 192 to ASTM F2767–18(2023), “Specification for Electrofusion Type Polyamide-12 Fittings for Outside Diameter Controlled Polyamide-12 Pipe and Tubing for Gas Distribution,” November 1, 2023.¹ While in parallel with updating in August 2025 regulatory references to this standard to

¹ “Periodic Safety: Standards Update—ASTM F2767,” 90 FR 28090 (July 1, 2025) (effective Jan. 1, 2026). The current direct final rule reflects the list of references as they will exist after this effective date.

the 2023 edition, PHMSA continued to review more recent editions of the standard for potential incorporation in its regulations. Based on that technical review, PHMSA now supports further updating the standard to the 2024 edition.

This updated standard will maintain or improve public safety, prevent regulatory confusion, and reduce compliance burdens on stakeholders. The National Technology Transfer and Advancement Act (NTTAA) of 1995 (15 U.S.C. 272 (note)) directs Federal agencies to, “when practical and consistent with applicable laws, use technical standards developed by voluntary consensus standard bodies instead of government-developed technical standards.” Consistent with that mandate, PHMSA incorporates more than 80 industry standards by reference into the Federal Pipeline Safety Regulations (49 CFR parts 190–199); however, many standards become outdated over time as new editions become available. 49 U.S.C. 60102(l) directs PHMSA to update incorporated industry standards.

Updating this standard ensures better alignment of PHMSA's regulations with innovations in operational and management practices, materials, testing, and technological advancements; enhances compliance by avoiding conflict between different versions of the same industry standards; and facilitates safety-focused allocation of resources by pipeline operators. PHMSA technical experts have evaluated the changes in the updated edition of ASTM F2767 and concluded it will either maintain or enhance the protection of public safety. These updates effectively mitigate safety gaps by incorporating innovations in equipment design, operational and maintenance practices, and testing, while addressing latent vulnerabilities that were historically unidentifiable due to the technical limitations of legacy data-gathering and monitoring capabilities. Indeed, PHMSA on July 1, 2025, published a direct final rule updating the reference within part 192 to the 2023 edition of this standard after preliminarily finding the revisions in that edition enhanced pipeline safety (90 FR 28090); PHMSA's evaluation of the handful of changes introduced in the standard since 2023 yield a similar conclusion regarding their safety impact. PHMSA further concludes that the direct final rule's updated standard is technically feasible, reasonable, cost-effective, and practicable because of its respective anticipated commercial and public safety benefits; and because the benefits better support PHMSA's safety

priorities compared to alternatives, thereby justifying any associated compliance costs.

Availability of Materials to Interested Parties

Pursuant to section 24 of the Pipeline Safety, Regulatory Certainty, and Job Creation Act of 2011 (Pub. L. 112–90, codified at 49 U.S.C. 60102(p)), “the Secretary may not issue a regulation pursuant to this chapter that incorporates any documents or portions thereof unless the documents or portions thereof are made available to the public, free of charge.” The standard incorporated in this direct final rule is available from the following website: <https://www.astm.org/standards-and-solutions/standards-and-publications/reading-room>. The material can also be obtained by interested parties through the applicable publisher contact information listed in § 192.7. Additional information regarding standards availability can be found at <https://www.phmsa.dot.gov/standards-rulemaking/pipeline/standards-incorporated-reference>.

Commenting Instructions: Please include the docket number PHMSA–2026–1529 at the beginning of your comments. If you submit your comments by mail, submit two copies. If you wish to receive confirmation that PHMSA received your comments, include a self-addressed stamped postcard. Internet users may submit comments at <https://www.regulations.gov>.

Note: Comments are posted without changes or edits to <https://www.regulations.gov>, including any personal information provided. There is a privacy statement published on <https://www.regulations.gov>.

Privacy Act: In accordance with 5 U.S.C. 553(c), DOT solicits comments from the public to inform its rulemaking process. DOT posts these comments, without edit, including any personal information the commenter provides, to our docket at <https://www.regulations.gov>. You may review DOT’s complete Privacy Act Statement by visiting <https://www.dot.gov/privacy>.

Confidential Business Information: Confidential Business Information (CBI) is commercial or financial information that is both customarily and actually treated as private by its owner. Under the Freedom of Information Act (FOIA, 5 U.S.C. 552), CBI is exempt from public disclosure. It is important that you clearly designate the comments submitted as CBI if: your comments responsive to this document contain commercial or financial information that is customarily treated as private;

you actually treat such information as private; and your comment is relevant or responsive to this notice. Pursuant to 49 CFR 190.343, you may ask PHMSA to provide confidential treatment to information you give to the agency by taking the following steps: (1) mark each page of the original document submission containing CBI as “Confidential;” (2) send PHMSA, along with the original document, a second copy of the original document with the CBI deleted; and (3) explain why the information that you are submitting is CBI. Submissions containing CBI should be sent to Brianna Wilson, Standards and Rulemaking Division, Pipeline and Hazardous Materials Safety Administration (PHMSA), 2nd Floor, 1200 New Jersey Avenue SE, Washington, DC 20590–0001, or by email at brianna.wilson@dot.gov. Any materials PHMSA receives that is not specifically designated as CBI will be placed in the public docket.

Docket: For access to the docket to read background documents or comments received, go to <http://www.regulations.gov>. Follow the online instructions for accessing the docket. Alternatively, you may review the documents in person at the street address listed above.

II. Regulatory Analysis and Notices

A. Legal Authority

This direct final rule is published under the authority of the Secretary of Transportation set forth in the Federal Pipeline Safety Laws (49 U.S.C. 60101 *et seq.*) and delegated to the PHMSA Administrator pursuant to 49 CFR 1.97. PHMSA has determined that this direct final rule—which updates an industry standard already incorporated by reference into its regulations—is unlikely to elicit significant adverse comment. *See* 49 U.S.C. 60102(b)(6)(A). PHMSA similarly finds that publication of a proposed rulemaking on which comment is solicited would be “unnecessary” pursuant to section 553(b)(B) of the Administrative Procedure Act (5 U.S.C. 551 *et seq.*) because this rulemaking merely adopts an updated version of an industry standard reflecting a broad consensus among affected industry stakeholders.

B. Executive Order 12866

E.O. 12866, *Regulatory Planning and Review*, as implemented by DOT Order 2100.6B (“Policies and Procedures for Rulemaking”) and DOT Order 2100.7 (“Ensuring Reliance upon Sound Economic Analysis in Department of Transportation Policies, Programs, and Activities”), requires agencies to

regulate in the “most cost-effective manner,” to make a “reasoned determination that the benefits of the intended regulation justify its costs,” and to develop regulations that “impose the least burden on society.” In arriving at those conclusions, E.O. 12866 requires that agencies should consider “both quantifiable measures . . . and qualitative measures of costs and benefits that are difficult to quantify” and “maximize net benefits . . . unless a statute requires another regulatory approach.” E.O. 12866 also requires that “agencies should assess all costs and benefits of available regulatory alternatives, including the alternative of not regulating.” DOT Order 2100.6B directs that PHMSA and other Operating Administrations must generally choose the “least costly regulatory alternative that achieves the relevant objectives” unless required by law or compelling safety need. DOT Order 2100.6B also specifies that regulations should generally “not be issued unless their benefits are expected to exceed their costs” except where required by law or compelling safety need. DOT Order 2100.7 requires that “all rulemaking activities shall be based on sound economic principles and analysis supported by rigorous cost-benefit requirement.”

E.O. 12866 and DOT Order 2100.6B also require that PHMSA submit “significant regulatory actions” to the Office of Information and Regulatory Affairs (OIRA) within the Executive Office of the President’s Office of Management and Budget (OMB) for review. This final rule is a not significant regulatory action pursuant to E.O. 12866; OMB also has not designated this rule as a “major rule” as defined by the Congressional Review Act (5 U.S.C. 801 *et seq.*).

PHMSA has complied with the procedural and analytical requirements in E.O. 12866 as implemented by DOT Order 2100.6B and DOT Order 2100.7 and determined that this direct final rule may result in minimal cost savings by reducing regulatory burdens and regulatory uncertainty for pipeline facility operators. In general, updates to consensus industry standards are widely accepted and followed on a voluntary basis throughout most of the pipeline industry. PHMSA understands that most pipeline operators already purchase and voluntarily apply industry standards—including the updated standard that is the subject of this rulemaking—within their ordinary business practices. Incorporation of the updated version of the standard referenced in this direct final rule will help ensure that the industry is not

forced to incur the additional cost of complying with different versions of the same standard. The cost savings of this rulemaking could not be quantified.

Updating to a more recent edition of the industry standard will ensure better alignment of PHMSA's regulations with innovations in operational and maintenance practices, equipment design, and testing. These updates address known safety risks, encourage facilities to invest in safety enhancing innovations, and improve public safety.

C. Executive Orders 14192 and Executive Order 14219

This direct final rule is considered a deregulatory action pursuant to E.O. 14192, *Unleashing Prosperity Through Deregulation*. PHMSA estimates that the total costs of the direct final rule on the regulated community will be less than zero. Nor do the regulatory amendments herein implicate any of the factors identified in section 2(a) of E.O. 14219, *Ensuring Lawful Governance and Implementing the President's "Department of Government Efficiency" Deregulatory Initiative*, indicative that a regulation is "unlawful . . . [or] that undermine[s] the national interest."

D. Energy-Related Executive Orders 13211, 14154, and 14156

The President has declared in E.O. 14156, *Declaring a National Energy Emergency*, a National emergency to address inadequate U.S. energy development production, transportation, refining, and generation capacity. Similarly, E.O. 14154, *Unleashing American Energy*, asserts a Federal policy to unleash American energy by ensuing access to abundant supplies of reliable, affordable energy from (inter alia) the removal of "undue burden[s]" on the identification, development, or use of domestic energy resources such as PHMSA-jurisdictional gasses and hazardous liquids. PHMSA finds this direct final rule is consistent with each of E.O. 14156 and E.O. 14154. The direct final rule will give affected pipeline operators the benefit of using the updated standard to maintain or improve public safety, prevent regulatory confusion, and reduce compliance burdens on stakeholders. PHMSA therefore expects the regulatory amendments in this direct final rule will in turn increase national pipeline transportation capacity and improve pipeline operators' ability to provide abundant, reliable, affordable natural gas in response to residential, commercial, and industrial demand.

However, this direct final rule is not a "significant energy action" under E.O. 13211, *Actions Concerning Regulations*

That Significantly Affect Energy Supply, Distribution, or Use, which requires Federal agencies to prepare a Statement of Energy Effects for any "significant energy action." Because this direct final rule is not a significant action under E.O. 12866, it will not have a significant adverse effect on supply, distribution, or energy use.

E. Executive Order 13132: Federalism

PHMSA analyzed this direct final rule in accordance with the principles and criteria contained in E.O. 13132, *Federalism*, and the Presidential Memorandum ("Preemption") published in the **Federal Register** on May 22, 2009. E.O. 13132 requires agencies to assure meaningful and timely input by State and local officials in the development of regulatory policies that may have "substantial direct effects on the States, on the relationship between the National Government and the States, or on the distribution of power and responsibilities among the various levels of government."

While the direct final rule may operate to preempt some State requirements, it will not impose any regulation that has substantial direct effects on the States, the relationship between the National Government and the States, or the distribution of power and responsibilities among the various levels of government. Section 60104(c) of the Federal Pipeline Safety Laws prohibits certain State safety regulation of interstate pipelines. Under the Federal Pipeline Safety Laws, States that have submitted a current certification under section 60105(a) can augment Federal pipeline safety requirements for intrastate pipelines regulated by PHMSA but may not approve safety requirements less stringent than those required by Federal law. A State may also regulate an intrastate pipeline facility that PHMSA does not regulate. The preemptive effect of the regulatory amendments in this direct final rule is limited to the minimum level necessary to achieve the objectives of the Federal Pipeline Safety Laws. Therefore, the consultation and funding requirements of E.O. 13132 do not apply.

F. Regulatory Flexibility Act

The Regulatory Flexibility Act (RFA, 5 U.S.C. 601 *et seq.*) requires Federal agencies to conduct a Final Regulatory Flexibility Analysis (FRFA) for a final rule subject to notice-and-comment rulemaking, unless the agency certifies that the rule will not have a significant economic impact on a substantial number of small entities. The RFA applies only to rules for which an

agency is required to first publish a proposed rule (*see* 5 U.S.C. 603(a) and 604(a)). PHMSA is not required to publish a notice of proposed rulemaking for this DFR, so the RFA does not apply. However, PHMSA expects no affected operators will face significant costs because the referenced standard is widely available for purchase at relatively low cost, most operators are already in compliance with the content of the referenced standard, and compliance costs for any remaining operators are expected to be negligible.

G. Unfunded Mandates Reform Act of 1995

The Unfunded Mandates Reform Act (UMRA, 2 U.S.C. 1501 *et seq.*) requires agencies to assess the effects of Federal regulatory actions on State, local, and Tribal governments, and the private sector. For any proposed or direct final rule that includes a Federal mandate that may result in the expenditure by State, local, and Tribal governments, in the aggregate of \$100 million or more in 1996 dollars (\$203 million in 2024 dollars) in any given year, the agency must prepare, amongst other things, a written statement that qualitatively and quantitatively assesses the costs and benefits of the Federal mandate.

This direct final rule does not impose unfunded mandates under UMRA because it does not result in costs of \$100 million or more (in 1996 dollars) per year for either State, local, or Tribal governments, or to the private sector.

H. National Environmental Policy Act

PHMSA has analyzed this rule pursuant to the National Environmental Policy Act (NEPA, 42 U.S.C. 4321 *et seq.*) and has determined it is categorically excluded under 23 CFR 771.117(c)(20), which applies to the promulgation of rules, regulations, and directives. Under section 9 of DOT Order 5610.1D ("DOT's Procedures for Considering Environmental Impacts"), PHMSA may apply a categorical exclusion established in another Operating Administration's procedures. PHMSA followed the requirements outlined in DOT Order 5610.1D to apply a categorical exclusion issued by the Federal Highway Administration (FHWA) to this deregulatory action. PHMSA does not anticipate any adverse environmental impacts from this rule, and PHMSA has determined no unusual circumstances are present under 23 CFR 771.117(b). PHMSA's Categorical Exclusion Determination memo for this

action is available on PHMSA's website.²

I. Executive Order 13175

PHMSA analyzed this direct final rule according to the principles and criteria in E.O. 13175, *Consultation and Coordination with Indian Tribal Governments*, and DOT Order 5301.1A ("Department of Transportation Tribal Consultation Policies and Procedures"). E.O. 13175 requires agencies to assure meaningful and timely input from Tribal government representatives in the development of rules that significantly or uniquely affect Tribal communities by imposing "substantial direct compliance costs" or "substantial direct effects" on such communities or the relationship or distribution of power between the Federal Government and Tribes.

PHMSA assessed the impact of the direct final rule and determined that it will not significantly or uniquely affect Tribal communities or Indian Tribal governments. The rulemaking's regulatory amendments have a broad, national scope; therefore, this direct final rule will not significantly or uniquely affect Tribal communities, much less impose substantial compliance costs on Native American Tribal governments or mandate Tribal action. For these reasons, PHMSA has concluded that the funding and consultation requirements of E.O. 13175 and DOT Order 5301.1A do not apply.

J. Paperwork Reduction Act

The Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*) and its implementing regulations at 5 CFR 1320.8(d) requires that PHMSA provide interested members of the public and affected agencies with an opportunity to comment on information collection and recordkeeping requests. This rulemaking will not create, amend, or rescind any existing information collections.

K. Executive Order 13609 and International Trade Analysis

E.O. 13609, *Promoting International Regulatory Cooperation*, requires agencies to consider whether the impacts associated with significant variations between domestic and international regulatory approaches are unnecessary or may impair the ability of American business to export and compete internationally. In meeting shared challenges involving health, safety, labor, security, environmental,

and other issues, international regulatory cooperation can identify approaches that are at least as protective as those that are or would be adopted in the absence of such cooperation. International regulatory cooperation can also reduce, eliminate, or prevent unnecessary differences in regulatory requirements.

Similarly, the Trade Agreements Act of 1979 (Pub. L. 96–39), as amended by the Uruguay Round Agreements Act (Pub. L. 103–465), prohibits Federal agencies from establishing any standards or engaging in related activities that create unnecessary obstacles to the foreign commerce of the United States. For purposes of these requirements, Federal agencies may participate in the establishment of international standards, so long as the standards have a legitimate domestic objective, such as providing for safety, and do not operate to exclude imports that meet this objective. The statute also requires consideration of international standards and, where appropriate, that they be the basis for U.S. standards.

PHMSA engages with international standards setting bodies to protect the safety of the American public. PHMSA has assessed the effects of the direct final rule and has determined that its regulatory amendments will not cause unnecessary obstacles to foreign trade.

L. Cybersecurity and Executive Order 14028

E.O. 14028, *Improving the Nation's Cybersecurity*, directed the Federal Government to improve its efforts to identify, deter, and respond to "persistent and increasingly sophisticated malicious cyber campaigns." PHMSA has considered the effects of the direct final rule and has determined that its regulatory amendments will not materially affect the cybersecurity risk profile for pipeline facilities.

List of Subjects in 49 CFR Part 192

Incorporation by reference, Natural gas, Pipeline safety.

For the reasons set forth above, PHMSA amends 49 CFR part 192 as follows:

PART 192—TRANSPORTATION OF NATURAL AND OTHER GAS BY PIPELINE: MINIMUM FEDERAL SAFETY STANDARDS

- 1. The authority citation for part 192 continues to read as follows:

Authority: 30 U.S.C. 185(w)(3), 49 U.S.C. 5103, 60101 *et seq.*, and 49 CFR 1.97.

- 2. In § 192.7 revise paragraph (f)(21) to read as follows:

§ 192.7 What documents are incorporated by reference partly or wholly in this part?

* * * * *

(f) * * *

(21) ASTM F2767–24, Standard Specification for Electrofusion Type Polyamide-12 Fittings for Outside Diameter Controlled Polyamide-12 Pipe and Tubing for Gas Distribution, approved July 1, 2024 (ASTM F2767); IBR approved for appendix B to this part.

* * * * *

Issued in Washington, DC, on April 22, 2026, under the authority delegated in 49 CFR 1.97.

Paul J. Roberti,
Administrator.

[FR Doc. 2026–08047 Filed 4–23–26; 8:45 am]

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DEPARTMENT OF TRANSPORTATION

Pipeline and Hazardous Materials Safety Administration

49 CFR Part 192

[Docket No. PHMSA–2026–1527; Amdt. No. 192–163]

RIN 2137–AG31

Pipeline Safety: Standards Update—ASTM F2620

AGENCY: Pipeline and Hazardous Materials Safety Administration (PHMSA), Department of Transportation (DOT).

ACTION: Direct final rule (DFR); request for comments.

SUMMARY: This DFR amends PHMSA's regulations to incorporate by reference an updated edition of industry standard ASTM F2620, Standard Practice for Heat Fusion Joining of Polyethylene Pipe and Fittings. This updated standard will maintain or improve public safety, prevent regulatory confusion, reduce compliance burdens on stakeholders, and satisfy a mandate in the National Technology Transfer and Advancement Act (NTTAA) of 1995.

DATES: The DFR is effective January 1, 2027, unless adverse comments are received by June 23, 2026. If adverse comments are received, notification will be published in the **Federal Register** before the effective date withdrawing the rule and publishing a notice of proposed rulemaking to provide an additional opportunity for public comment. Compliance after June 23, 2026 is authorized. The incorporation by reference of certain material listed in this rule is approved by the Director of

² DOT, *Implementing Procedures*, <https://www.phmsa.dot.gov/planning-and-analytics/environmental-analysis-and-compliance/implementing-procedures>.

the Federal Register as of January 1, 2027.

ADDRESSES: You may submit comments identified by the Docket Number PHMSA–2026–1527 using any of the following methods:

E-Gov Web: <https://www.regulations.gov>. This site allows the public to enter comments on any Federal Register notice issued by any agency. Follow the online instructions for submitting comments.

Mail: Docket Management System: U.S. Department of Transportation, 1200 New Jersey Avenue SE, West Building, Ground Floor, Room W12–140, Washington, DC 20590–0001.

Alternatively, hand delivery is available to this address between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

Fax: 1–202–493–2251.

For commenting instructions and additional information about commenting, see **SUPPLEMENTARY INFORMATION**.

FOR FURTHER INFORMATION CONTACT:

Alyssa Imam, Transportation Specialist, 1200 New Jersey Avenue SE, Washington, DC 20590, by phone at 202–738–3850 or email at alyssa.imam@dot.gov.

SUPPLEMENTARY INFORMATION:

I. General Discussion

Through this DFR, PHMSA is incorporating by reference an update to a voluntary, consensus industry technical standard already incorporated by reference within 49 CFR part 192. Specifically, PHMSA is updating the referenced edition of industry standard ASTM F2620, Standard Practice for Heat Fusion Joining of Polyethylene Pipe and Fittings, to the 2024 edition (ASTM F2620).

ASTM F2620 describes procedures for making joints with polyethylene pipe and fittings by means of heat fusion joining in, but not limited to, a field environment.

References to the 2024 edition of the standard will replace the existing references in §§ 192.281(c) and 192.285(b) to ASTM F2620–20ae2, Standard Practice for Heat Fusion Joining of Polyethylene Pipe and Fittings, approved December 1, 2020. In parallel with updating in August 2025 regulatory references to this standard to the 2020 edition, PHMSA continued to review more recent editions of the standard for potential incorporation in its regulations. Based on that technical review, PHMSA now supports further updating of the standard to the 2024 edition.

This updated standard will maintain or improve public safety, prevent regulatory confusion, and reduce compliance burdens on stakeholders. The National Technology Transfer and Advancement Act (NTTAA) of 1995 (15 U.S.C. 272 (note)) directs Federal agencies to, “when practical and consistent with applicable laws, use technical standards developed by voluntary consensus standard bodies instead of government-developed technical standards.” Consistent with that mandate, PHMSA incorporates more than 80 industry standards by reference into the Federal Pipeline Safety Regulations (49 CFR parts 190–199); however, many standards become outdated over time as new editions become available. 49 U.S.C. 60102(l) directs PHMSA to update incorporated industry standards.

Updating this standard ensures better alignment of PHMSA’s regulations with innovations in operational and management practices, materials, testing, and technological advancements; enhances compliance by avoiding conflict between different versions of the same industry standards; and facilitates safety-focused allocation of resources by pipeline operators. PHMSA technical experts have evaluated the changes in the updated edition of ASTM F2620 and concluded it will either maintain or enhance the protection of public safety. These updates effectively mitigate safety gaps by incorporating innovations in equipment design, operational and maintenance practices, and testing, while addressing latent vulnerabilities that were historically unidentifiable due to the technical limitations of legacy data-gathering and monitoring capabilities. Indeed, PHMSA on August 21, 2025, published a final rule updating the reference within part 192 to the 2020 edition of this standard after preliminarily finding the revisions in that edition enhanced pipeline safety (90 FR 40749); PHMSA’s evaluation of the handful of changes introduced in the standard since 2020 yield a similar conclusion regarding their safety impact. PHMSA further concludes that the direct final rule’s updated standard is technically feasible, reasonable, cost-effective, and practicable because of its respective anticipated commercial and public safety benefits; and because the benefits better support PHMSA’s safety priorities compared to alternatives, thereby justifying any associated compliance costs.

Availability of Materials to Interested Parties

Pursuant to section 24 of the Pipeline Safety, Regulatory Certainty, and Job Creation Act of 2011 (Pub. L. 112–90, codified at 49 U.S.C. 60102(p)), “the Secretary may not issue a regulation pursuant to this chapter that incorporates any documents or portions thereof unless the documents or portions thereof are made available to the public, free of charge.” The standard incorporated in this direct final rule is available from the following website: <https://www.astm.org/standards-and-solutions/standards-and-publications/reading-room>. The material can also be obtained by interested parties through the applicable publisher contact information listed in § 192.7. Additional information regarding standards availability can be found at <https://www.phmsa.dot.gov/standards-rulemaking/pipeline/standards-incorporated-reference>.

Commenting Instructions: Please include the docket number PHMSA–2026–1527 at the beginning of your comments. If you submit your comments by mail, submit two copies. If you wish to receive confirmation that PHMSA received your comments, include a self-addressed stamped postcard. Internet users may submit comments at <https://www.regulations.gov>.

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Privacy Act: In accordance with 5 U.S.C. 553(c), DOT solicits comments from the public to inform its rulemaking process. DOT posts these comments, without edit, including any personal information the commenter provides, to our docket at <https://www.regulations.gov>. You may review DOT’s complete Privacy Act Statement by visiting <https://www.dot.gov/privacy>.

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49 CFR 190.343, you may ask PHMSA to provide confidential treatment to information you give to the agency by taking the following steps: (1) mark each page of the original document submission containing CBI as “Confidential;” (2) send PHMSA, along with the original document, a second copy of the original document with the CBI deleted; and (3) explain why the information that you are submitting is CBI. Submissions containing CBI should be sent to Brianna Wilson, Standards and Rulemaking Division, Pipeline and Hazardous Materials Safety Administration (PHMSA), 2nd Floor, 1200 New Jersey Avenue SE, Washington, DC 20590–0001, or by email at brianna.wilson@dot.gov. Any materials PHMSA receives that is not specifically designated as CBI will be placed in the public docket.

Docket: For access to the docket to read background documents or comments received, go to <http://www.regulations.gov>. Follow the online instructions for accessing the docket. Alternatively, you may review the documents in person at the street address listed above.

II. Regulatory Analysis and Notices

A. Legal Authority

This direct final rule is published under the authority of the Secretary of Transportation set forth in the Federal Pipeline Safety Laws (49 U.S.C. 60101 *et seq.*) and delegated to the PHMSA Administrator pursuant to 49 CFR 1.97. PHMSA has determined that this direct final rule—which updates an industry standard already incorporated by reference into its regulations—is unlikely to elicit significant adverse comment. *See* 49 U.S.C. 60102(b)(6)(A). PHMSA similarly finds that publication of a proposed rulemaking on which comment is solicited would be “unnecessary” pursuant to section 553(b)(B) of the Administrative Procedure Act (5 U.S.C. 551 *et seq.*) because this rulemaking merely adopts an updated version of an industry standard reflecting a broad consensus among affected industry stakeholders.

B. Executive Order 12866

E.O. 12866, *Regulatory Planning and Review*, as implemented by DOT Order 2100.6B (“Policies and Procedures for Rulemaking”) and DOT Order 2100.7 (“Ensuring Reliance upon Sound Economic Analysis in Department of Transportation Policies, Programs, and Activities”), requires agencies to regulate in the “most cost-effective manner,” to make a “reasoned determination that the benefits of the

intended regulation justify its costs,” and to develop regulations that “impose the least burden on society.” In arriving at those conclusions, E.O. 12866 requires that agencies should consider “both quantifiable measures . . . and qualitative measures of costs and benefits that are difficult to quantify” and “maximize net benefits . . . unless a statute requires another regulatory approach.” E.O. 12866 also requires that “agencies should assess all costs and benefits of available regulatory alternatives, including the alternative of not regulating.” DOT Order 2100.6B directs that PHMSA and other Operating Administrations must generally choose the “least costly regulatory alternative that achieves the relevant objectives” unless required by law or compelling safety need. DOT Order 2100.6B also specifies that regulations should generally “not be issued unless their benefits are expected to exceed their costs” except where required by law or compelling safety need. DOT Order 2100.7 requires that “all rulemaking activities shall be based on sound economic principles and analysis supported by rigorous cost-benefit requirement.”

E.O. 12866 and DOT Order 2100.6B also require that PHMSA submit “significant regulatory actions” to the Office of Information and Regulatory Affairs (OIRA) within the Executive Office of the President’s Office of Management and Budget (OMB) for review. This final rule is a not significant regulatory action pursuant to E.O. 12866; OMB also has not designated this rule as a “major rule” as defined by the Congressional Review Act (5 U.S.C. 801 *et seq.*).

PHMSA has complied with the procedural and analytical requirements in E.O. 12866 as implemented by DOT Order 2100.6B and DOT Order 2100.7 and determined that this direct final rule may result in minimal cost savings by reducing regulatory burdens and regulatory uncertainty for pipeline facility operators. In general, updates to consensus industry standards are widely accepted and followed on a voluntary basis throughout most of the pipeline industry. PHMSA understands that most pipeline operators already purchase and voluntarily apply industry standards—including the updated standard that is the subject of this rulemaking—within their ordinary business practices. Incorporation of the updated version of the standard referenced in this direct final rule will help ensure that the industry is not forced to incur the additional cost of complying with different versions of the

same standard. The cost savings of this rulemaking could not be quantified.

Updating to a more recent edition of the industry standard will ensure better alignment of PHMSA’s regulations with innovations in operational and maintenance practices, equipment design, and testing. These updates address known safety risks, encourage facilities to invest in safety enhancing innovations, and improve public safety

C. Executive Orders 14192 and Executive Order 14219

This direct final rule is considered a deregulatory action pursuant to E.O. 14192, *Unleashing Prosperity Through Deregulation*. PHMSA estimates that the total costs of the direct final rule on the regulated community will be less than zero. Nor do the regulatory amendments herein implicate any of the factors identified in section 2(a) of E.O. 14219, *Ensuring Lawful Governance and Implementing the President’s “Department of Government Efficiency” Deregulatory Initiative*, indicative that a regulation is “unlawful . . . [or] that undermine[s] the national interest.”

D. Energy-Related Executive Orders 13211, 14154, and 14156

The President has declared in E.O. 14156, *Declaring a National Energy Emergency*, a National emergency to address inadequate U.S. energy development production, transportation, refining, and generation capacity. Similarly, E.O. 14154, *Unleashing American Energy*, asserts a Federal policy to unleash American energy by ensuring access to abundant supplies of reliable, affordable energy from (inter alia) the removal of “undue burden[s]” on the identification, development, or use of domestic energy resources such as PHMSA-jurisdictional gasses and hazardous liquids. PHMSA finds this direct final rule is consistent with each of E.O. 14156 and E.O. 14154. The direct final rule will give affected pipeline operators the benefit of using the updated standard to maintain or improve public safety, prevent regulatory confusion, and reduce compliance burdens on stakeholders. PHMSA therefore expects the regulatory amendment in this direct final rule will in turn increase national pipeline transportation capacity and improve pipeline operators’ ability to provide abundant, reliable, affordable natural gas in response to residential, commercial, and industrial demand.

However, this direct final rule is not a “significant energy action” under E.O. 13211, *Actions Concerning Regulations That Significantly Affect Energy Supply, Distribution, or Use*, which requires

Federal agencies to prepare a Statement of Energy Effects for any “significant energy action.” Because this direct final rule is not a significant action under E.O. 12866, it will not have a significant adverse effect on supply, distribution, or energy use.

E. Executive Order 13132: Federalism

PHMSA analyzed this direct final rule in accordance with the principles and criteria contained in E.O. 13132, *Federalism*, and the Presidential Memorandum (“Preemption”) published in the **Federal Register** on May 22, 2009. E.O. 13132 requires agencies to assure meaningful and timely input by State and local officials in the development of regulatory policies that may have “substantial direct effects on the States, on the relationship between the National Government and the States, or on the distribution of power and responsibilities among the various levels of government.”

While the direct final rule may operate to preempt some State requirements, it will not impose any regulation that has substantial direct effects on the States, the relationship between the National Government and the States, or the distribution of power and responsibilities among the various levels of government. Section 60104(c) of the Federal Pipeline Safety Laws prohibits certain State safety regulation of interstate pipelines. Under the Federal Pipeline Safety Laws, States that have submitted a current certification under section 60105(a) can augment Federal pipeline safety requirements for intrastate pipelines regulated by PHMSA but may not approve safety requirements less stringent than those required by Federal law. A State may also regulate an intrastate pipeline facility that PHMSA does not regulate. The preemptive effect of the regulatory amendments in this direct final rule is limited to the minimum level necessary to achieve the objectives of the Federal Pipeline Safety Laws. Therefore, the consultation and funding requirements of E.O. 13132 do not apply.

F. Regulatory Flexibility Act

The Regulatory Flexibility Act (RFA, 5 U.S.C. 601 *et seq.*) requires Federal agencies to conduct a Final Regulatory Flexibility Analysis (FRFA) for a final rule subject to notice-and-comment rulemaking, unless the agency certifies that the rule will not have a significant economic impact on a substantial number of small entities. The RFA applies only to rules for which an agency is required to first publish a proposed rule (see 5 U.S.C. 603(a) and

604(a)). PHMSA is not required to publish a notice of proposed rulemaking for this DFR, so the RFA does not apply. However, PHMSA expects no affected operators will face significant costs because the referenced standard is widely available for purchase at relatively low cost, most operators are already in compliance with the content of the referenced standard, and compliance costs for any remaining operators are expected to be negligible.

G. Unfunded Mandates Reform Act of 1995

The Unfunded Mandates Reform Act (UMRA, 2 U.S.C. 1501 *et seq.*) requires agencies to assess the effects of Federal regulatory actions on State, local, and Tribal governments, and the private sector. For any proposed or direct final rule that includes a Federal mandate that may result in the expenditure by State, local, and Tribal governments, in the aggregate of \$100 million or more in 1996 dollars (\$203 million in 2024 dollars) in any given year, the agency must prepare, amongst other things, a written statement that qualitatively and quantitatively assesses the costs and benefits of the Federal mandate.

This direct final rule does not impose unfunded mandates under UMRA because it does not result in costs of \$100 million or more (in 1996 dollars) per year for either State, local, or Tribal governments, or to the private sector.

H. National Environmental Policy Act

PHMSA has analyzed this rule pursuant to the National Environmental Policy Act (NEPA, 42 U.S.C. 4321 *et seq.*) and has determined it is categorically excluded under 23 CFR 771.117(c)(20), which applies to the promulgation of rules, regulations, and directives. Under section 9 of DOT Order 5610.1D (“DOT’s Procedures for Considering Environmental Impacts”), PHMSA may apply a categorical exclusion established in another Operating Administration’s procedures. PHMSA followed the requirements outlined in DOT Order 5610.1D to apply a categorical exclusion issued by the Federal Highway Administration (FHWA) to this deregulatory action. PHMSA does not anticipate any adverse environmental impacts from this rule, and PHMSA has determined no unusual circumstances are present under 23 CFR 771.117(b). PHMSA’s Categorical Exclusion Determination memo for this action is available on PHMSA’s website.¹

¹ DOT, *Implementing Procedures*, <https://www.phmsa.dot.gov/planning-and-analytics/environmental-analysis-and-compliance/implementing-procedures>.

I. Executive Order 13175

PHMSA analyzed this direct final rule according to the principles and criteria in E.O. 13175, *Consultation and Coordination with Indian Tribal Governments*, and DOT Order 5301.1A (“Department of Transportation Tribal Consultation Policies and Procedures”). E.O. 13175 requires agencies to assure meaningful and timely input from Tribal government representatives in the development of rules that significantly or uniquely affect Tribal communities by imposing “substantial direct compliance costs” or “substantial direct effects” on such communities or the relationship or distribution of power between the Federal Government and Tribes.

PHMSA assessed the impact of the direct final rule and determined that it will not significantly or uniquely affect Tribal communities or Indian Tribal governments. The rulemaking’s regulatory amendments have a broad, national scope; therefore, this direct final rule will not significantly or uniquely affect Tribal communities, much less impose substantial compliance costs on Native American Tribal governments or mandate Tribal action. For these reasons, PHMSA has concluded that the funding and consultation requirements of E.O. 13175 and DOT Order 5301.1A do not apply.

J. Paperwork Reduction Act

The Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*) and its implementing regulations at 5 CFR 1320.8(d) requires that PHMSA provide interested members of the public and affected agencies with an opportunity to comment on information collection and recordkeeping requests. This rulemaking will not create, amend, or rescind any existing information collections.

K. Executive Order 13609 and International Trade Analysis

E.O. 13609, *Promoting International Regulatory Cooperation*, requires agencies to consider whether the impacts associated with significant variations between domestic and international regulatory approaches are unnecessary or may impair the ability of American business to export and compete internationally. In meeting shared challenges involving health, safety, labor, security, environmental, and other issues, international regulatory cooperation can identify approaches that are at least as protective as those that are or would be adopted in the absence of such cooperation. International regulatory cooperation can

also reduce, eliminate, or prevent unnecessary differences in regulatory requirements.

Similarly, the Trade Agreements Act of 1979 (Pub. L. 96–39), as amended by the Uruguay Round Agreements Act (Pub. L. 103–465), prohibits Federal agencies from establishing any standards or engaging in related activities that create unnecessary obstacles to the foreign commerce of the United States. For purposes of these requirements, Federal agencies may participate in the establishment of international standards, so long as the standards have a legitimate domestic objective, such as providing for safety, and do not operate to exclude imports that meet this objective. The statute also requires consideration of international standards and, where appropriate, that they be the basis for U.S. standards.

PHMSA engages with international standards setting bodies to protect the safety of the American public. PHMSA has assessed the effects of the direct final rule and has determined that its regulatory amendments will not cause unnecessary obstacles to foreign trade.

L. Cybersecurity and Executive Order 14028

E.O. 14028, *Improving the Nation's Cybersecurity*, directed the Federal Government to improve its efforts to identify, deter, and respond to “persistent and increasingly sophisticated malicious cyber campaigns.” PHMSA has considered the effects of the direct final rule and has determined that its regulatory amendments will not materially affect the cybersecurity risk profile for pipeline facilities.

List of Subjects in 49 CFR Part 192

Incorporation by reference, Natural gas, Pipeline safety.

For the reasons set forth above, PHMSA amends 49 CFR part 192 as follows:

PART 192—TRANSPORTATION OF NATURAL AND OTHER GAS BY PIPELINE: MINIMUM FEDERAL SAFETY STANDARDS

■ 1. The authority citation for part 192 continues to read as follows:

Authority: 30 U.S.C. 185(w)(3), 49 U.S.C. 5103, 60101 *et seq.*, and 49 CFR 1.97.

■ 2. In § 192.7, revise paragraph (f)(20) to read as follows:

§ 192.7 What documents are incorporated by reference partly or wholly in this part?

* * * * *

(f) * * *

(20) ASTM F2620–24, Standard Practice for Heat Fusion Joining of Polyethylene Pipe and Fittings, approved July 1, 2024, (ASTM F2620); IBR approved for §§ 192.281(c); 192.285(b).

* * * * *

Issued in Washington, DC, on April 22, 2026, under the authority delegated in 49 CFR 1.97.

Paul J. Roberti,
Administrator.

[FR Doc. 2026–08045 Filed 4–23–26; 8:45 am]

BILLING CODE 4910–60–P

DEPARTMENT OF TRANSPORTATION

Pipeline and Hazardous Materials Safety Administration

49 CFR Part 192

[Docket No. PHMSA–2026–1524; Amdt. No. 192–160]

RIN 2137–AG28

Pipeline Safety: Standards Update—ASTM A372/A372M

AGENCY: Pipeline and Hazardous Materials Safety Administration (PHMSA), Department of Transportation (DOT).

ACTION: Direct final rule (DFR); request for comments.

SUMMARY: This DFR amends PHMSA's regulations to incorporate by reference an updated edition of industry standard ASTM A372/A372M, Standard Specification for Carbon and Alloy Steel Forgings for Thin-Walled Pressure Vessels. This updated standard will maintain or improve public safety, prevent regulatory confusion, reduce compliance burdens on stakeholders, and satisfy a mandate in the National Technology Transfer and Advancement Act (NTTAA) of 1995.

DATES: The DFR is effective January 1, 2027, unless adverse comments are received by June 23, 2026. If adverse comments are received, notification will be published in the **Federal Register** before the effective date withdrawing the rule and publishing a notice of proposed rulemaking to provide an additional opportunity for public comment. Compliance after June 23, 2026 is authorized. The incorporation by reference of certain material listed in this rule is approved by the Director of the **Federal Register** as of January 1, 2027.

ADDRESSES: You may submit comments identified by the Docket Number PHMSA–2026–1524 using any of the following methods:

E-Gov Web: <https://www.regulations.gov>. This site allows the public to enter comments on any **Federal Register** notice issued by any agency. Follow the online instructions for submitting comments.

Mail: Docket Management System: U.S. Department of Transportation, 1200 New Jersey Avenue SE, West Building Ground Floor, Room W12–140, Washington, DC 20590–0001. Alternatively, hand delivery is available to this address between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

Fax: 1–202–493–2251.

For commenting instructions and additional information about commenting, see **SUPPLEMENTARY INFORMATION**.

FOR FURTHER INFORMATION CONTACT:

Brianna Wilson, Transportation Specialist, 1200 New Jersey Avenue SE, Washington, DC 20590, by phone at 771–215–0969 or email at brianna.wilson@dot.gov.

SUPPLEMENTARY INFORMATION:

I. General Discussion:

Through this DFR, PHMSA is incorporating by reference an update to a voluntary, consensus industry technical standard already incorporated by reference within 49 CFR part 192. Specifically, PHMSA is updating the referenced edition of industry standard ASTM A372/A372M, Standard Specification for Carbon and Alloy Steel Forgings for Thin-Walled Pressure Vessels, to the reapproved 2025 edition (ASTM A372/A372M).

ASTM A372/A372M presents the current state of knowledge and technology regarding the manufacture of relatively thin-walled forgings—including gas bottles—for use in pressure vessels. This specification covers carbon and alloy steel forgings.

A reference to the reapproved 2025 edition of this standard will replace the existing reference in § 192.177 to ASTM A372/A372M–20e1, Standard Specification for Carbon and Alloy Steel Forgings for Thin-Walled Pressure Vessels, approved March 1, 2020.¹ In parallel with updating this standard to the 2020 edition in August 2025, it continued to review more recent editions of the standard for potential incorporation in its regulations. Based on that technical review, PHMSA

¹ PHMSA, *Periodic Safety: Periodic Standards Update II*, 90 FR 40749 (Aug. 21, 2025) (effective Jan. 10, 2026). The current direct final rule reflects the list of references as they will exist after this effective date.

supports updating of the standard to the 2025 version.

This updated standard will maintain or improve public safety, prevent regulatory confusion, and reduce compliance burdens on stakeholders. The National Technology Transfer and Advancement Act (NTTAA) of 1995 (15 U.S.C. 272 (note)) directs Federal agencies to, “when practical and consistent with applicable laws, use technical standards developed by voluntary consensus standard bodies instead of government-developed technical standards.” Consistent with that mandate, PHMSA incorporates more than 80 industry standards by reference into the Federal Pipeline Safety Regulations (49 CFR parts 190–199); however, many standards become outdated over time as new editions become available. 49 U.S.C. 60102(l) directs PHMSA to update incorporated industry standards.

Updating this standard ensures better alignment of PHMSA’s regulations with innovations in operational and management practices, materials, testing, and technological advancements; enhances compliance by avoiding conflict between different versions of the same industry standards; and facilitates safety-focused allocation of resources by pipeline operators. PHMSA technical experts have evaluated the changes in the updated edition of ASTM A372/A372M and concluded it will either maintain or enhance the protection of public safety. These updates effectively mitigate safety gaps by incorporating innovations in equipment design, operational and maintenance practices, and testing, while addressing latent vulnerabilities that were historically unidentifiable due to the technical limitations of legacy data-gathering and monitoring capabilities. Indeed, PHMSA on August 21, 2025, published a final rule updating the reference within part 192 to the 2020 edition of this standard after preliminarily finding the revisions in that edition enhanced pipeline safety (90 FR 40749); PHMSA’s evaluation of the handful of changes introduced in the standard since 2020 yield a similar conclusion regarding their safety impact. PHMSA further concludes that the direct final rule’s updated standard is technically feasible, reasonable, cost-effective, and practicable because of its respective anticipated commercial and public safety benefits; and because the benefits better support PHMSA’s safety priorities compared to alternatives, thereby justifying any associated compliance costs.

Availability of Materials to Interested Parties

Pursuant to section 24 of the Pipeline Safety, Regulatory Certainty, and Job Creation Act of 2011 (Pub. L. 112–90, codified at 49 U.S.C. 60102(p)), “the Secretary may not issue a regulation pursuant to this chapter that incorporates any documents or portions thereof unless the documents or portions thereof are made available to the public, free of charge.” The standard incorporated in this direct final rule is available from the following website: <https://www.astm.org/standards-and-solutions/standards-and-publications/reading-room>. The material can also be obtained by interested parties through the applicable publisher contact information listed in § 192.7. Additional information regarding standards availability can be found at <https://www.phmsa.dot.gov/standards-rulemaking/pipeline/standards-incorporated-reference>.

Commenting Instructions: Please include the docket number PHMSA–2026–1524 at the beginning of your comments. If you submit your comments by mail, submit two copies. If you wish to receive confirmation that PHMSA received your comments, include a self-addressed stamped postcard. Internet users may submit comments at <https://www.regulations.gov>.

Note: Comments are posted without changes or edits to <https://www.regulations.gov>, including any personal information provided. There is a privacy statement published on <https://www.regulations.gov>.

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II. Regulatory Analysis and Notices

A. Legal Authority

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B. Executive Order 12866

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intended regulation justify its costs,” and to develop regulations that “impose the least burden on society.” In arriving at those conclusions, E.O. 12866 requires that agencies should consider “both quantifiable measures . . . and qualitative measures of costs and benefits that are difficult to quantify” and “maximize net benefits . . . unless a statute requires another regulatory approach.” E.O. 12866 also requires that “agencies should assess all costs and benefits of available regulatory alternatives, including the alternative of not regulating.” DOT Order 2100.6B directs that PHMSA and other Operating Administrations must generally choose the “least costly regulatory alternative that achieves the relevant objectives” unless required by law or compelling safety need. DOT Order 2100.6B also specifies that regulations should generally “not be issued unless their benefits are expected to exceed their costs” except where required by law or compelling safety need. DOT Order 2100.7 requires that “all rulemaking activities shall be based on sound economic principles and analysis supported by rigorous cost-benefit requirement.”

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PHMSA has complied with the procedural and analytical requirements in E.O. 12866 as implemented by DOT Order 2100.6B and DOT Order 2100.7 and determined that this direct final rule may result in minimal cost savings by reducing regulatory burdens and regulatory uncertainty for pipeline facility operators. In general, updates to consensus industry standards are widely accepted and followed on a voluntary basis throughout most of the pipeline industry. PHMSA understands that most pipeline operators already purchase and voluntarily apply industry standards—including the updated standard that is the subject of this rulemaking—within their ordinary business practices. Incorporation of the updated version of the standard referenced in this direct final rule will help ensure that the industry is not forced to incur the additional cost of complying with different versions of the

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The Regulatory Flexibility Act (RFA, 5 U.S.C. 601 *et seq.*) requires Federal agencies to conduct a Final Regulatory Flexibility Analysis (FRFA) for a final rule subject to notice-and-comment rulemaking, unless the agency certifies that the rule will not have a significant economic impact on a substantial number of small entities. The RFA applies only to rules for which an agency is required to first publish a proposed rule (see 5 U.S.C. 603(a) and

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This direct final rule does not impose unfunded mandates under UMRA because it does not result in costs of \$100 million or more (in 1996 dollars) per year for either State, local, or Tribal governments, or to the private sector.

H. National Environmental Policy Act

PHMSA has analyzed this rule pursuant to the National Environmental Policy Act (NEPA, 42 U.S.C. 4321 *et seq.*) and has determined it is categorically excluded under 23 CFR 771.117(c)(20), which applies to the promulgation of rules, regulations, and directives. Under section 9 of DOT Order 5610.1D (“DOT’s Procedures for Considering Environmental Impacts”), PHMSA may apply a categorical exclusion established in another Operating Administration’s procedures. PHMSA followed the requirements outlined in DOT Order 5610.1D to apply a categorical exclusion issued by the Federal Highway Administration (FHWA) to this deregulatory action. PHMSA does not anticipate any adverse environmental impacts from this rule, and PHMSA has determined no unusual circumstances are present under 23 CFR 771.117(b). PHMSA’s Categorical Exclusion Determination memo for this action is available on PHMSA’s website.²

² DOT, *Implementing Procedures*, <https://www.phmsa.dot.gov/planning-and-analytics/environmental-analysis-and-compliance/implementing-procedures>.

I. Executive Order 13175

PHMSA analyzed this direct final rule according to the principles and criteria in E.O. 13175, *Consultation and Coordination with Indian Tribal Governments*, and DOT Order 5301.1A (“Department of Transportation Tribal Consultation Policies and Procedures”). E.O. 13175 requires agencies to assure meaningful and timely input from Tribal government representatives in the development of rules that significantly or uniquely affect Tribal communities by imposing “substantial direct compliance costs” or “substantial direct effects” on such communities or the relationship or distribution of power between the Federal Government and Tribes.

PHMSA assessed the impact of the direct final rule and determined that it will not significantly or uniquely affect Tribal communities or Indian Tribal governments. The rulemaking’s regulatory amendments have a broad, national scope; therefore, this direct final rule will not significantly or uniquely affect Tribal communities, much less impose substantial compliance costs on Native American Tribal governments or mandate Tribal action. For these reasons, PHMSA has concluded that the funding and consultation requirements of E.O. 13175 and DOT Order 5301.1A do not apply.

J. Paperwork Reduction Act

The Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*) and its implementing regulations at 5 CFR 1320.8(d) requires that PHMSA provide interested members of the public and affected agencies with an opportunity to comment on information collection and recordkeeping requests. This rulemaking will not create, amend, or rescind any existing information collections.

K. Executive Order 13609 and International Trade Analysis

E.O. 13609, *Promoting International Regulatory Cooperation*, requires agencies to consider whether the impacts associated with significant variations between domestic and international regulatory approaches are unnecessary or may impair the ability of American business to export and compete internationally. In meeting shared challenges involving health, safety, labor, security, environmental, and other issues, international regulatory cooperation can identify approaches that are at least as protective as those that are or would be adopted in the absence of such cooperation. International regulatory cooperation can

also reduce, eliminate, or prevent unnecessary differences in regulatory requirements.

Similarly, the Trade Agreements Act of 1979 (Pub. L. 96–39), as amended by the Uruguay Round Agreements Act (Pub. L. 103–465), prohibits Federal agencies from establishing any standards or engaging in related activities that create unnecessary obstacles to the foreign commerce of the United States. For purposes of these requirements, Federal agencies may participate in the establishment of international standards, so long as the standards have a legitimate domestic objective, such as providing for safety, and do not operate to exclude imports that meet this objective. The statute also requires consideration of international standards and, where appropriate, that they be the basis for U.S. standards.

PHMSA engages with international standards setting bodies to protect the safety of the American public. PHMSA has assessed the effects of the direct final rule and has determined that its regulatory amendments will not cause unnecessary obstacles to foreign trade.

L. Cybersecurity and Executive Order 14028

E.O. 14028, *Improving the Nation’s Cybersecurity*, directed the Federal Government to improve its efforts to identify, deter, and respond to “persistent and increasingly sophisticated malicious cyber campaigns.” PHMSA has considered the effects of the direct final rule and has determined that its regulatory amendments will not materially affect the cybersecurity risk profile for pipeline facilities.

List of Subjects in 49 CFR Part 192

Incorporation by reference, Natural gas, Pipeline safety.

For the reasons set forth above, PHMSA amends 49 CFR part 192 as follows:

PART 192—TRANSPORTATION OF NATURAL AND OTHER GAS BY PIPELINE: MINIMUM FEDERAL SAFETY STANDARDS

- 1. The authority citation for part 192 continues to read as follows:

Authority: 30 U.S.C. 185(w)(3), 49 U.S.C. 5103, 60101 *et seq.*, and 49 CFR 1.97.

- 2. In § 192.7, revise paragraph (f)(4) to read as follows:

§ 192.7 What documents are incorporated by reference partly or wholly in this part?

* * * * *

(f) * * *

(4) ASTM A372/A372M–20 (Reapproved 2025), Standard Specification for Carbon and Alloy Steel Forgings for Thin-Walled Pressure Vessels, approved March 1, 2025, (ASTM A372/A372M); IBR approved for § 192.177(b).

* * * * *

§ 192.177 [Amended]

■ 3. In § 192.177, amend paragraph (b)(1) by removing the text “ASTM A372/372M” and adding, in its place, the text “ASTM A372/A372M”.

Issued in Washington, DC, on April 22, 2026, under the authority delegated in 49 CFR 1.97.

Paul J. Roberti,
Administrator.

[FR Doc. 2026–08069 Filed 4–23–26; 8:45 am]

BILLING CODE 4910–60–P

DEPARTMENT OF TRANSPORTATION

Pipeline and Hazardous Materials Safety Administration

49 CFR Part 192

[Docket No. PHMSA–2026–1521; Amdt. No. 192–157]

RIN 2137–AG25

Pipeline Safety: Standards Update—NFPA 59

AGENCY: Pipeline and Hazardous Materials Safety Administration (PHMSA), Department of Transportation (DOT).

ACTION: Direct final rule (DFR); request for comments.

SUMMARY: This DFR amends PHMSA’s regulations to incorporate by reference an updated edition of industry standard NFPA 59, Utility LP-Gas Plant Code. This updated standard will maintain or improve public safety, prevent regulatory confusion, reduce compliance burdens on stakeholders, and satisfy a mandate in the National Technology Transfer and Advancement Act (NTTAA) of 1995.

DATES: The DFR is effective January 1, 2027, unless adverse comments are received by June 23, 2026. If adverse comments are received, notification will be published in the **Federal Register** before the effective date withdrawing the rule and publishing a notice of proposed rulemaking to provide an additional opportunity for public comment. Compliance after June 23, 2026 is authorized. The incorporation by reference of certain material listed in this rule is approved by the Director of

the **Federal Register** as of January 1, 2027.

ADDRESSES: You may submit comments identified by the Docket Number PHMSA–2026–1521 using any of the following methods:

E-Gov Web: <https://www.regulations.gov>. This site allows the public to enter comments on any **Federal Register** notice issued by any agency. Follow the online instructions for submitting comments.

Mail: Docket Management System: U.S. Department of Transportation, 1200 New Jersey Avenue SE, West Building Ground Floor, Room W12–140, Washington, DC 20590–0001.

Alternatively, hand delivery is available to this address between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

Fax: 1–202–493–2251.

For commenting instructions and additional information about commenting, see **SUPPLEMENTARY INFORMATION**.

FOR FURTHER INFORMATION CONTACT:

Brianna Wilson, Transportation Specialist, 1200 New Jersey Avenue SE Washington, DC 20590, by phone at 771–215–0969 or email at brianna.wilson@dot.gov.

SUPPLEMENTARY INFORMATION:

I. General Discussion

Through this DFR, PHMSA is incorporating by reference an update to a voluntary, consensus industry technical standard already incorporated by reference within 49 CFR part 192. Specifically, PHMSA is updating the referenced edition of industry standard NFPA 59, Utility LP-Gas Plant Code, to the 2024 edition (NFPA 59).

NFPA 59 covers general requirements for the design, construction, location, installation, operation, and maintenance of refrigerated and non-refrigerated liquefied petroleum utility gas plants. A reference to the 2024 edition of this standard will replace the existing reference in § 192.11 to NFPA 59, Utility LP-Gas Plant Code, 2018 edition, effective September 6, 2017.

This updated standard will maintain or improve public safety, prevent regulatory confusion, and reduce compliance burdens on stakeholders. The National Technology Transfer and Advancement Act (NTTAA) of 1995 (15 U.S.C. 272 (note)) directs Federal agencies to “use technical standards developed by voluntary consensus standard bodies instead of government-developed technical standards,” “when practical and consistent with applicable laws.” Consistent with that mandate, PHMSA incorporates more than 80

industry standards by reference into the Pipeline Safety Regulations (49 CFR parts 190–199); however, many standards become outdated over time as new editions become available. 49 U.S.C. 60102(l) directs PHMSA to update incorporated industry standards.

Updating this standard ensures better alignment of PHMSA’s regulations with innovations in operational and management practices, materials, testing, and technological advancements; enhances compliance by avoiding conflict between different versions of the same industry standards; and facilitates safety-focused allocation of resources by pipeline operators. PHMSA technical experts have evaluated the changes in the updated edition of NFPA 59 and concluded it will either maintain or enhance the protection of public safety. These updates mitigate safety gaps by incorporating innovative equipment designs, operational and maintenance practices, and testing, while addressing latent vulnerabilities that were historically unidentifiable due to the technical limitations of legacy data-gathering and monitoring capabilities. PHMSA further concludes that the direct final rule’s updated standard is technically feasible, reasonable, cost-effective, and practicable because of its respective anticipated commercial and public safety benefits; and because the benefits better support PHMSA’s safety priorities compared to alternatives, thereby justifying any associated compliance costs.

Availability of Materials to Interested Parties

Pursuant to section 24 of the Pipeline Safety, Regulatory Certainty, and Job Creation Act of 2011 (Pub. L. 112–90, codified at 49 U.S.C. 60102(p)), “the Secretary may not issue a regulation pursuant to this chapter that incorporates any documents or portions thereof unless the documents or portions thereof are made available to the public, free of charge.” The standard incorporated in this direct final rule is available from the following website: <https://www.nfpa.org/Codes-and-Standards/All-Codes-and-Standards/List-of-Codes-and-Standards>. The material can also be obtained by interested parties through the applicable publisher contact information listed in § 192.7. Additional information regarding standards availability can be found at <https://www.phmsa.dot.gov/standards-rulemaking/pipeline/standards-incorporated-reference>.

Commenting Instructions: Please include the docket number PHMSA–2026–1521 at the beginning of your

comments. If you submit your comments by mail, submit two copies. If you wish to receive confirmation that PHMSA received your comments, include a self-addressed stamped postcard. Internet users may submit comments at <https://www.regulations.gov>.

Note: Comments are posted without changes or edits to <https://www.regulations.gov>, including any personal information provided. There is a privacy statement published on <https://www.regulations.gov>.

Privacy Act: In accordance with 5 U.S.C. 553(c), DOT solicits comments from the public to inform its rulemaking process. DOT posts these comments, without edit, including any personal information the commenter provides, to our docket at <https://www.regulations.gov>. You may review DOT's complete Privacy Act Statement by visiting <https://www.dot.gov/privacy>.

Confidential Business Information: Confidential Business Information (CBI) is commercial or financial information that is both customarily and actually treated as private by its owner. Under the Freedom of Information Act (FOIA, 5 U.S.C. 552), CBI is exempt from public disclosure. It is important that you clearly designate the comments submitted as CBI if: your comments responsive to this document contain commercial or financial information that is customarily treated as private; you actually treat such information as private; and your comment is relevant or responsive to this notice. Pursuant to 49 CFR 190.343, you may ask PHMSA to provide confidential treatment to information you give to the agency by taking the following steps: (1) mark each page of the original document submission containing CBI as "Confidential;" (2) send PHMSA, along with the original document, a second copy of the original document with the CBI deleted; and (3) explain why the information that you are submitting is CBI. Submissions containing CBI should be sent to Brianna Wilson, Standards and Rulemaking Division, Pipeline and Hazardous Materials Safety Administration (PHMSA), 2nd Floor, 1200 New Jersey Avenue SE, Washington, DC 20590-0001, or by email at brianna.wilson@dot.gov. Any materials PHMSA receives that is not specifically designated as CBI will be placed in the public docket.

Docket: For access to the docket to read background documents or comments received, go to <http://www.regulations.gov>. Follow the online instructions for accessing the docket. Alternatively, you may review the

documents in person at the street address listed above.

II. Regulatory Analysis and Notices

A. Legal Authority

This direct final rule is published under the authority of the Secretary of Transportation set forth in the Federal Pipeline Safety Laws (49 U.S.C. 60101 *et seq.*) and delegated to the PHMSA Administrator pursuant to 49 CFR 1.97. PHMSA has determined that this direct final rule—which updates an industry standard already incorporated by reference into its regulations—is unlikely to elicit significant adverse comment. *See* 49 U.S.C. 60102(b)(6)(A). PHMSA similarly finds that publication of a proposed rulemaking on which comment is solicited would be “unnecessary” pursuant to section 553(b)(B) of the Administrative Procedure Act (5 U.S.C. 551 *et seq.*) because this rulemaking merely adopts an updated version of an industry standard that itself reflects a broad consensus among affected industry stakeholders.

B. Executive Order 12866

E.O. 12866, *Regulatory Planning and Review*, as implemented by DOT Order 2100.6B (“Policies and Procedures for Rulemaking”) and DOT Order 2100.7 (“Ensuring Reliance upon Sound Economic Analysis in Department of Transportation Policies, Programs, and Activities”), requires agencies to regulate in the “most cost-effective manner,” to make a “reasoned determination that the benefits of the intended regulation justify its costs,” and to develop regulations that “impose the least burden on society.” In arriving at those conclusions, E.O. 12866 requires that agencies should consider “both quantifiable measures . . . and qualitative measures of costs and benefits that are difficult to quantify” and “maximize net benefits . . . unless a statute requires another regulatory approach.” E.O. 12866 also requires that “agencies should assess all costs and benefits of available regulatory alternatives, including the alternative of not regulating.” DOT Order 2100.6B directs that PHMSA and other Operating Administrations must generally choose the “least costly regulatory alternative that achieves the relevant objectives” unless required by law or compelling safety need. DOT Order 2100.6B also specifies that regulations should generally “not be issued unless their benefits are expected to exceed their costs” except where required by law or compelling safety need. DOT Order 2100.7 requires that “all rulemaking

activities shall be based on sound economic principles and analysis supported by rigorous cost-benefit requirement.”

E.O. 12866 and DOT Order 2100.6B also require that PHMSA submit “significant regulatory actions” to the Office of Information and Regulatory Affairs (OIRA) within the Executive Office of the President’s Office of Management and Budget (OMB) for review. This final rule is a not significant regulatory action pursuant to E.O. 12866; OMB also has not designated this rule as a “major rule” as defined by the Congressional Review Act (5 U.S.C. 801 *et seq.*).

PHMSA has complied with the procedural and analytical requirements in E.O. 12866 as implemented by DOT Order 2100.6B and DOT Order 2100.7 and determined that this direct final rule may result in minimal cost savings by reducing regulatory burdens and regulatory uncertainty for pipeline facility operators. In general, updates to consensus industry standards are widely accepted and followed on a voluntary basis throughout most of the pipeline industry. PHMSA understands that most pipeline operators already purchase and voluntarily apply industry standards—including the updated standard that is the subject of this rulemaking—within their ordinary business practices. Incorporation of the updated version of the standard referenced in this direct final rule will help ensure that the industry is not forced to incur the additional cost of complying with different versions of the same standard. The cost savings of this rulemaking could not be quantified.

Updating to a newer edition of the industry standard will ensure better alignment of PHMSA’s regulations with innovations in operations and maintenance practices, equipment design, and testing. These updates address known safety risks, encourage facilities to invest in safety enhancing innovations, and improve public safety.

C. Executive Orders 14192 and Executive Order 14219

This direct final rule is considered a deregulatory action pursuant to E.O. 14192, *Unleashing Prosperity Through Deregulation*. PHMSA estimates that the total costs of the direct final rule on the regulated community will be less than zero. Nor do the regulatory amendments herein implicate any of the factors identified in section 2(a) of E.O. 14219, *Ensuring Lawful Governance and Implementing the President’s “Department of Government Efficiency” Deregulatory Initiative*, indicative that a

regulation is “unlawful . . . [or] that undermine[s] the national interest.”

D. Energy-Related Executive Orders 13211, 14154, and 14156

The President has declared in E.O. 14156, *Declaring a National Energy Emergency*, a National emergency to address inadequate U.S. energy development production, transportation, refining, and generation capacity. Similarly, E.O. 14154, *Unleashing American Energy*, asserts a Federal policy to unleash American energy by ensuring access to abundant supplies of reliable, affordable energy from (inter alia) the removal of “undue burden[s]” on the identification, development, or use of domestic energy resources such as PHMSA-jurisdictional gasses and hazardous liquids. PHMSA finds this direct final rule is consistent with each of E.O. 14156 and E.O. 14154. The direct final rule will give affected pipeline operators the benefit of using the updated standard to maintain or improve public safety, prevent regulatory confusion, and reduce compliance burdens on stakeholders. PHMSA therefore expects the regulatory amendments in this direct final rule will in turn increase national pipeline transportation capacity and improve pipeline operators’ ability to provide abundant, reliable, affordable natural gas in response to residential, commercial, and industrial demand.

However, this direct final rule is not a “significant energy action” under E.O. 13211, *Actions Concerning Regulations That Significantly Affect Energy Supply, Distribution, or Use*, which requires Federal agencies to prepare a Statement of Energy Effects for any “significant energy action.” Because this direct final rule is not a significant action under E.O. 12866, it will not have a significant adverse effect on supply, distribution, or energy use.

E. Executive Order 13132: Federalism

PHMSA analyzed this direct final rule in accordance with the principles and criteria contained in E.O. 13132, *Federalism*, and the Presidential Memorandum (“Preemption”) published in the **Federal Register** on May 22, 2009. E.O. 13132 requires agencies to assure meaningful and timely input by State and local officials in the development of regulatory policies that may have “substantial direct effects on the States, on the relationship between the National Government and the States, or on the distribution of power and responsibilities among the various levels of government.”

While the direct final rule may operate to preempt some State requirements, it will not impose any regulation that has substantial direct effects on the States, the relationship between the National Government and the States, or the distribution of power and responsibilities among the various levels of government. Section 60104(c) of the Federal Pipeline Safety Laws prohibits certain State safety regulation of interstate pipelines. Under the Federal Pipeline Safety Laws, States that have submitted a current certification under section 60105(a) can augment Federal pipeline safety requirements for intrastate pipelines regulated by PHMSA but may not approve safety requirements less stringent than those required by Federal law. A State may also regulate an intrastate pipeline facility that PHMSA does not regulate. The preemptive effect of the regulatory amendments in this direct final rule is limited to the minimum level necessary to achieve the objectives of the Federal Pipeline Safety Laws. Therefore, the consultation and funding requirements of E.O. 13132 do not apply.

F. Regulatory Flexibility Act

The Regulatory Flexibility Act (RFA, 5 U.S.C. 601 *et seq.*) requires Federal agencies to conduct a Final Regulatory Flexibility Analysis (FRFA) for a final rule subject to notice-and-comment rulemaking, unless the agency certifies that the rule will not have a significant economic impact on a substantial number of small entities. The RFA applies only to rules for which an agency is required to first publish a proposed rule (*see* 5 U.S.C. 603(a) and 604(a)). PHMSA is not required to publish a notice of proposed rulemaking for this DFR, so the RFA does not apply. However, PHMSA expects no affected operators will face significant costs because the referenced standard is widely available for purchase at relatively low cost, most operators are already in compliance with the content of the referenced standard, and compliance costs for any remaining operators are expected to be negligible.

G. Unfunded Mandates Reform Act of 1995

The Unfunded Mandates Reform Act (UMRA, 2 U.S.C. 1501 *et seq.*) requires agencies to assess the effects of Federal regulatory actions on State, local, and Tribal governments, and the private sector. For any proposed or direct final rule that includes a Federal mandate that may result in the expenditure by State, local, and Tribal governments, in the aggregate of \$100 million or more in 1996 dollars (\$203 million in 2024

dollars) in any given year, the agency must prepare, amongst other things, a written statement that qualitatively and quantitatively assesses the costs and benefits of the Federal mandate.

This direct final rule does not impose unfunded mandates under UMRA because it does not result in costs of \$100 million or more (in 1996 dollars) per year for either State, local, or Tribal governments, or to the private sector.

H. National Environmental Policy Act

PHMSA has analyzed this rule pursuant to the National Environmental Policy Act (NEPA, 42 U.S.C. 4321 *et seq.*) and has determined it is categorically excluded under 23 CFR 771.117(c)(20), which applies to the promulgation of rules, regulations, and directives. Under section 9 of DOT Order 5610.1D (“DOT’s Procedures for Considering Environmental Impacts”), PHMSA may apply a categorical exclusion established in another Operating Administration’s procedures. PHMSA followed the requirements outlined in DOT Order 5610.1D to apply a categorical exclusion issued by the Federal Highway Administration (FHWA) to this deregulatory action. PHMSA does not anticipate any adverse environmental impacts from this rule, and PHMSA has determined no unusual circumstances are present under 23 CFR 771.117(b). PHMSA’s Categorical Exclusion Determination memo for this action is available on PHMSA’s website.¹

I. Executive Order 13175

PHMSA analyzed this direct final rule according to the principles and criteria in E.O. 13175, *Consultation and Coordination with Indian Tribal Governments*, and DOT Order 5301.1A (“Department of Transportation Tribal Consultation Policies and Procedures”). E.O. 13175 requires agencies to assure meaningful and timely input from Tribal government representatives in the development of rules that significantly or uniquely affect Tribal communities by imposing “substantial direct compliance costs” or “substantial direct effects” on such communities or the relationship or distribution of power between the Federal Government and Tribes.

PHMSA assessed the impact of the direct final rule and determined that it will not significantly or uniquely affect Tribal communities or Indian Tribal governments. The rulemaking’s regulatory amendments have a broad,

¹ DOT, *Implementing Procedures*, <https://www.phmsa.dot.gov/planning-and-analytics/environmental-analysis-and-compliance/implementing-procedures>.

national scope; therefore, this direct final rule will not significantly or uniquely affect Tribal communities, much less impose substantial compliance costs on Native American Tribal governments or mandate Tribal action. For these reasons, PHMSA has concluded that the funding and consultation requirements of E.O. 13175 and DOT Order 5301.1A do not apply.

J. Paperwork Reduction Act

The Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*) and its implementing regulations at 5 CFR 1320.8(d) requires that PHMSA provide interested members of the public and affected agencies with an opportunity to comment on information collection and recordkeeping requests. This rulemaking will not create, amend, or rescind any existing information collections.

K. Executive Order 13609 and International Trade Analysis

E.O. 13609, *Promoting International Regulatory Cooperation*, requires agencies to consider whether the impacts associated with significant variations between domestic and international regulatory approaches are unnecessary or may impair the ability of American business to export and compete internationally. In meeting shared challenges involving health, safety, labor, security, environmental, and other issues, international regulatory cooperation can identify approaches that are at least as protective as those that are or would be adopted in the absence of such cooperation. International regulatory cooperation can also reduce, eliminate, or prevent unnecessary differences in regulatory requirements.

Similarly, the Trade Agreements Act of 1979 (Pub. L. 96–39), as amended by the Uruguay Round Agreements Act (Pub. L. 103–465), prohibits Federal agencies from establishing any standards or engaging in related activities that create unnecessary obstacles to the foreign commerce of the United States. For purposes of these requirements, Federal agencies may participate in the establishment of international standards, so long as the standards have a legitimate domestic objective, such as providing for safety, and do not operate to exclude imports that meet this objective. The statute also requires consideration of international standards and, where appropriate, that they be the basis for U.S. standards.

PHMSA engages with international standards setting bodies to protect the safety of the American public. PHMSA has assessed the effects of the direct

final rule and has determined that its regulatory amendments will not cause unnecessary obstacles to foreign trade.

L. Cybersecurity and Executive Order 14028

E.O. 14028, *Improving the Nation's Cybersecurity*, directed the Federal government to improve its efforts to identify, deter, and respond to “persistent and increasingly sophisticated malicious cyber campaigns.” PHMSA has considered the effects of the direct final rule and has determined that its regulatory amendments will not materially affect the cybersecurity risk profile for pipeline facilities.

List of Subjects in 49 CFR Part 192

Incorporation by reference, Natural gas, Pipeline safety.

For the reasons set forth above, PHMSA amends 49 CFR part 192 as follows:

PART 192—TRANSPORTATION OF NATURAL AND OTHER GAS BY PIPELINE: MINIMUM FEDERAL SAFETY STANDARDS

- 1. The authority citation for part 192 continues to read as follows:

Authority: 30 U.S.C. 185(w)(3), 49 U.S.C. 5103, 60101 *et seq.*, and 49 CFR 1.97.

- 2. In § 192.7, revise paragraph (i)(3) to read as follows:

§ 192.7 What documents are incorporated by reference partly or wholly in this part?

* * * * *

(i) * * *

(3) NFPA 59, Utility LP-Gas Plant Code, 2024 edition, effective September 14, 2023, (NFPA 59); IBR approved for § 192.11.

* * * * *

Issued in Washington, DC, on April 22, 2026, under the authority delegated in 49 CFR 1.97.

Paul J. Roberti,

Administrator.

[FR Doc. 2026–08075 Filed 4–23–26; 8:45 am]

BILLING CODE 4910–60–P

DEPARTMENT OF TRANSPORTATION

Pipeline and Hazardous Materials Safety Administration

49 CFR Part 192

[Docket No. PHMSA–2026–1543; Amdt. No. 192–171]

RIN 2137–AG47

Pipeline Safety: Editorial Corrections and Clarifications to Criteria for Conducting Integrity Assessments Using Guided Wave Ultrasonic Testing

AGENCY: Pipeline and Hazardous Materials Safety Administration (PHMSA), Department of Transportation (DOT).

ACTION: Final rule.

SUMMARY: This final rule makes certain editorial corrections and non-substantive changes to the criteria for conducting integrity assessments using guided wave ultrasonic testing.

DATES: This rule is effective on August 3, 2026.

FOR FURTHER INFORMATION CONTACT:

Angela Hill, Transportation Specialist, 1200 New Jersey Avenue SE, Washington, DC 20590, 202–680–2034, angela.hill@dot.gov.

SUPPLEMENTARY INFORMATION: In this final rule, PHMSA is making certain editorial corrections and non-substantive changes to the criteria for conducting integrity assessments using guided wave ultrasonic testing (GWUT). Specifically, Appendix F to 49 CFR part 192 establishes criteria for using GWUT as an integrity assessment method. The existing list of criteria in part 192, Appendix F is numbered incorrectly and includes a duplicate XIV. PHMSA is revising part 192, Appendix F to replace the duplicate XIV with XIX. This typographical correction will remove regulatory uncertainty regarding part 192, Appendix F.

Regulatory Analyses and Notices

A. Legal Authority

This final rule is published under the authority of the Secretary of Transportation set forth in the Federal Pipeline Safety Laws (49 U.S.C. 60101 *et seq.*) and delegated to the PHMSA Administrator pursuant to 49 CFR 1.97. PHMSA has good cause under 5 U.S.C. 553(b)(B) to issue this final rule without prior notice and comment. PHMSA is simply correcting a typographical error in 49 CFR part 192, Appendix F. PHMSA finds that notice and comment is unnecessary because this amendment is editorial in nature and does not impose any new requirements.

B. Executive Order 12866

E.O. 12866, *Regulatory Planning and Review*, as implemented by DOT Order 2100.6B (“Policies and Procedures for Rulemaking”) and DOT Order 2100.7 (“Ensuring Reliance upon Sound Economic Analysis in Department of Transportation Policies, Programs, and Activities”), requires agencies to regulate in the “most cost-effective manner,” to make a “reasoned determination that the benefits of the intended regulation justify its costs,” and to develop regulations that “impose the least burden on society.” In arriving at those conclusions, E.O. 12866 requires that agencies should consider “both quantifiable measures . . . and qualitative measures of costs and benefits that are difficult to quantify” and “maximize net benefits . . . unless a statute requires another regulatory approach.” E.O. 12866 also requires that “agencies should assess all costs and benefits of available regulatory alternatives, including the alternative of not regulating.” DOT Order 2100.6B directs that PHMSA and other Operating Administrations must generally choose the “least costly regulatory alternative that achieves the relevant objectives” unless required by law or compelling safety need. DOT Order 2100.6B also specifies that regulations should generally “not be issued unless their benefits are expected to exceed their costs” except where required by law or compelling safety need. DOT Order 2100.7 requires that “all rulemaking activities shall be based on sound economic principles and analysis supported by rigorous cost-benefit requirement.”

E.O. 12866 and DOT Order 2100.6B also require that PHMSA submit “significant regulatory actions” to the Office of Information and Regulatory Affairs (OIRA) within the Executive Office of the President’s Office of Management and Budget (OMB) for review. This final rule is a not significant regulatory action pursuant to E.O. 12866; OMB also has not designated this rule as a “major rule” as defined by the Congressional Review Act (5 U.S.C. 801 *et seq.*).

PHMSA has complied with the procedural and analytical requirements in E.O. 12866 as implemented by DOT Order 2100.6B and DOT Order 2100.7. This final rule does not impose new burdens. The changes made are editorial in nature and do not impose new requirements in the Federal Pipeline Safety Regulations. Therefore, it is not necessary that PHMSA prepare a regulatory impact analysis.

C. Executive Orders 14192 and 14219

This final rule is considered a deregulatory action pursuant to E.O. 14192, *Unleashing Prosperity Through Deregulation*. PHMSA estimates that the total costs of the rule on the regulated community will be *de minimis*. The non-substantive changes of this rulemaking do not impose any new requirements on pipeline operators and should improve the clarity and compliance with the Federal Pipeline Safety Regulations. Nor does this rule implicate any of the factors identified in section 2(a) of E.O. 14219, *Ensuring Lawful Governance and Implementing the President’s “Department of Government Efficiency” Deregulatory Initiative*, indicative that a regulation is “unlawful . . . [or] that undermine[s] the national interest.”

D. Energy-Related Executive Orders 13211, 14154, and 14156

The President has declared in E.O. 14156, *Declaring a National Energy Emergency*, a National emergency to address America’s inadequate energy development production, transportation, refining, and generation capacity. Similarly, E.O. 14154, *Unleashing American Energy*, asserts a Federal policy to unleash American energy by ensuring access to abundant supplies of reliable, affordable energy from (inter alia) the removal of “undue burden[s]” on the identification, development, or use of domestic energy resources such as PHMSA-jurisdictional gases and hazardous liquids. PHMSA finds this final rule is consistent with each of E.O. 14156 and E.O. 14154. The final rule will correct a typographical numbering error in 49 CFR part 192, Appendix F to remove the duplicate number XIV. The provisions of this final rule are not substantive and will not impose new requirements on pipeline operators; they are intended to promote the ease of operators complying with the existing regulations.

This final rule is not a “significant energy action” under E.O. 13211, *Actions Concerning Regulations That Significantly Affect Energy Supply, Distribution, or Use*, which requires Federal agencies to prepare a Statement of Energy Effects for any “significant energy action.” Because this final rule is not a significant action under E.O. 12866, it will not have a significant adverse effect on supply, distribution, or energy use.

E. Executive Order 13132: Federalism

PHMSA analyzed this final rule in accordance with the principles and criteria contained in E.O. 13132,

Federalism, and the Presidential Memorandum (“Preemption”) published in the **Federal Register** on May 22, 2009. E.O. 13132 requires agencies to assure meaningful and timely input by State and local officials in the development of regulatory policies that may have “substantial direct effects on the States, on the relationship between the National Government and the States, or on the distribution of power and responsibilities among the various levels of government.”

While the final rule may operate to preempt some State requirements, it would not impose any regulation that has substantial direct effects on the States, the relationship between the National Government and the States, or the distribution of power and responsibilities among the various levels of government. Section 60104(c) of the Federal Pipeline Safety Laws prohibits certain State safety regulation of interstate pipelines. Under the Federal Pipeline Safety Laws, States that have submitted a current certification under section 60105(a) can augment Federal pipeline safety requirements for intrastate pipelines regulated by PHMSA but may not approve safety requirements less stringent than those required by Federal law. A State may also regulate an intrastate pipeline facility that PHMSA does not regulate. The preemptive effect of the regulatory amendments in this final rule is limited to the minimum level necessary to achieve the objectives of the Federal Pipeline Safety Laws. Therefore, the consultation and funding requirements of E.O. 13132 do not apply.

F. Regulatory Flexibility Act

The Regulatory Flexibility Act (RFA, 5 U.S.C. 601 *et seq.*) requires Federal agencies to conduct a Final Regulatory Flexibility Analysis (FRFA) for a final rule subject to notice-and-comment rulemaking, unless the agency certifies that the rule will not have a significant economic impact on a substantial number of small entities. The RFA applies only to rules for which an agency is required to first publish a proposed rule (*see* 5 U.S.C. 603(a) and 604(a)). PHMSA is not required to publish a notice of proposed rulemaking for this final rule, so the RFA does not apply. However, PHMSA expects no affected operators will face significant costs from the regulatory amendments introduced here as they are editorial and non-substantive in nature.

G. *Unfunded Mandates Reform Act of 1995*

The Unfunded Mandates Reform Act (UMRA, 2 U.S.C. 1501 *et seq.*) requires agencies to assess the effects of Federal regulatory actions on State, local, and Tribal governments, and the private sector. For any proposed or final rule that includes a Federal mandate that may result in the expenditure by State, local, and Tribal governments, in the aggregate of \$100 million or more (in 1996 dollars) in any given year, the agency must prepare, amongst other things, a written statement that qualitatively and quantitatively assesses the costs and benefits of the Federal mandate.

This final rule does not impose unfunded mandates under UMRA because it does not result in costs of \$100 million or more (in 1996 dollars) per year for either State, local, or Tribal governments, or to the private sector.

H. *National Environmental Policy Act*

PHMSA has analyzed this rule pursuant to the National Environmental Policy Act (NEPA, 42 U.S.C. 4321 *et seq.*) and has determined it is categorically excluded under 23 CFR 771.117(c)(20), which applies to the promulgation of rules, regulations, and directives. Under section 9 of DOT Order 5610.1D (“DOT’s Procedures for Considering Environmental Impacts”), PHMSA may apply a categorical exclusion established in another Operating Administration’s procedures. PHMSA followed the requirements outlined in DOT Order 5610.1D to apply a categorical exclusion issued by the Federal Highway Administration (FHWA) to this deregulatory action. PHMSA does not anticipate any adverse environmental impacts from this rule, and PHMSA has determined no unusual circumstances are present under 23 CFR 771.117(b). PHMSA’s Categorical Exclusion Determination memo for this action is available on PHMSA’s website.¹

I. *Executive Order 13175*

PHMSA analyzed this final rule according to the principles and criteria in E.O. 13175, *Consultation and Coordination with Indian Tribal Governments*, and DOT Order 5301.1A (“Department of Transportation Tribal Consultation Policies and Procedures”). E.O. 13175 requires agencies to assure meaningful and timely input from Tribal government representatives in the

development of rules that significantly or uniquely affect Tribal communities by imposing “substantial direct compliance costs” or “substantial direct effects” on such communities or the relationship or distribution of power between the Federal Government and Tribes.

PHMSA assessed the impact of the final rule and determined that it will not significantly or uniquely affect Tribal communities or Indian Tribal governments. The rulemaking’s regulatory amendments have a broad, national scope; therefore, this final rule will not significantly or uniquely affect Tribal communities, much less impose substantial compliance costs on Native American Tribal governments or mandate Tribal action. For these reasons, PHMSA has concluded that the funding and consultation requirements of E.O. 13175 and DOT Order 5301.1A do not apply.

J. *Paperwork Reduction Act*

The Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*) and its implementing regulations at 5 CFR 1320.8(d) requires that PHMSA provide interested members of the public and affected agencies with an opportunity to comment on information collection and recordkeeping requests. This rulemaking will not create, amend, or rescind any existing information collections.

K. *Executive Order 13609 and International Trade Analysis*

E.O. 13609, *Promoting International Regulatory Cooperation*, requires agencies consider whether the impacts associated with significant variations between domestic and international regulatory approaches are unnecessary or may impair the ability of American business to export and compete internationally. In meeting shared challenges involving health, safety, labor, security, environmental, and other issues, international regulatory cooperation can identify approaches that are at least as protective as those that are or would be adopted in the absence of such cooperation. International regulatory cooperation can also reduce, eliminate, or prevent unnecessary differences in regulatory requirements.

Similarly, the Trade Agreements Act of 1979 (Pub. L. 96–39), as amended by the Uruguay Round Agreements Act (Pub. L. 103–465), prohibits Federal agencies from establishing any standards or engaging in related activities that create unnecessary obstacles to the foreign commerce of the United States. For purposes of these

requirements, Federal agencies may participate in the establishment of international standards, so long as the standards have a legitimate domestic objective, such as providing for safety, and do not operate to exclude imports that meet this objective. The statute also requires consideration of international standards and, where appropriate, that they be the basis for U.S. standards.

PHMSA engages with international standards setting bodies to protect the safety of the American public. PHMSA has assessed the effects of the final rule and has determined that its regulatory amendments will not cause unnecessary obstacles to foreign trade.

L. *Cybersecurity and Executive Order 14028*

E.O. 14028, *Improving the Nation’s Cybersecurity*, directs the Federal Government to improve its efforts to identify, deter, and respond to “persistent and increasingly sophisticated malicious cyber campaigns.” PHMSA has considered the effects of the final rule and has determined that its regulatory amendments will not materially affect the cybersecurity risk profile for pipeline facilities.

List of Subjects in 49 CFR Part 192

Natural gas, Pipeline safety.

In consideration of the foregoing, PHMSA amends 49 CFR part 192 as follows:

PART 192—TRANSPORTATION OF NATURAL AND OTHER GAS BY PIPELINE: MINIMUM FEDERAL SAFETY STANDARDS

■ 1. The authority citation for part 192 continues to read as follows:

Authority: 30 U.S.C. 185(w)(3), 49 U.S.C. 5103, 60101 *et seq.*, and 49 CFR 1.97.

■ 2. In appendix F to part 192:

■ a. Designate the table at the end of the appendix as table 1 to appendix F;

■ b. Remove the second paragraph XIV; and

■ c. Add paragraph XIX.

The addition reads as follows:

Appendix F to Part 192—Criteria for Conducting Integrity Assessments Using Guided Wave Ultra-Sonic Testing (GWUT)

* * * * *

XIX. *Timing of direct examination of all indications above the detection sensitivity threshold.* Operators must either replace or conduct direct examinations of all indications identified above the detection sensitivity threshold according to table 1 to this appendix. Operators must conduct leak surveys and reduce operating pressure as

¹ PHMSA, *Implementing Procedures*, <https://www.phmsa.dot.gov/planning-and-analytics/environmental-analysis-and-compliance/implementing-procedures>.

specified until the pipe is replaced or direct examinations are completed.

* * * * *

Issued in Washington, DC, on April 22, 2026, under the authority delegated in 49 CFR 1.97.

Paul J. Roberti,
Administrator.

[FR Doc. 2026–08061 Filed 4–23–26; 8:45 am]

BILLING CODE 4910–60–P

DEPARTMENT OF TRANSPORTATION

Pipeline and Hazardous Materials Safety Administration

49 CFR Part 192

[Docket No. PHMSA–2026–1530; Amdt. No. 192–166]

RIN 2137–AG34

Pipeline Safety: Standards Update— ASTM F1973

AGENCY: Pipeline and Hazardous Materials Safety Administration (PHMSA), Department of Transportation (DOT).

ACTION: Direct final rule (DFR); request for comments.

SUMMARY: This DFR amends PHMSA's regulations to incorporate by reference an updated edition of industry standard ASTM F1973, Standard Specification for Factory Assembled Anodeless Risers and Transition Fittings in Polyethylene (PE) and Polyamide (PA11) and Polyamide 12 (PA12) Fuel Gas Distribution Systems. This updated standard will maintain or improve public safety, prevent regulatory confusion, reduce compliance burdens on stakeholders, and satisfy a mandate in the National Technology Transfer and Advancement Act (NTTAA) of 1995.

DATES: The DFR is effective January 1, 2027, unless adverse comments are received by June 23, 2026. If adverse comments are received, notification will be published in the **Federal Register** before the effective date withdrawing the rule and publishing a notice of proposed rulemaking to provide an additional opportunity for public comment. Compliance after June 23, 2026 is authorized. The incorporation by reference of certain material listed in this rule is approved by the Director of the Federal Register as of January 1, 2027.

ADDRESSES: You may submit comments identified by the Docket Number PHMSA–2026–1530 using any of the following methods:

E-Gov Web: <https://www.regulations.gov>. This site allows

the public to enter comments on any **Federal Register** notice issued by any agency. Follow the online instructions for submitting comments.

Mail: Docket Management System: U.S. Department of Transportation, 1200 New Jersey Avenue SE, West Building Ground Floor, Room W12–140, Washington, DC 20590–0001.

Alternatively, hand delivery is available to this address between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

Fax: 1–202–493–2251.

For commenting instructions and additional information about commenting, see **SUPPLEMENTARY INFORMATION**.

FOR FURTHER INFORMATION CONTACT:

Alyssa Imam, Transportation Specialist, 1200 New Jersey Avenue SE, Washington, DC 20590, by phone at 202–738–3850 *ore-mailat* alyssa.imam@dot.gov.

SUPPLEMENTARY INFORMATION:

I. General Discussion

Through this DFR, PHMSA is incorporating by reference an update to a voluntary, consensus industry technical standard already incorporated by reference within 49 CFR part 192. Specifically, PHMSA is updating the referenced edition of industry standard ASTM F1973, “Standard Specification for Factory Assembled Anodeless Risers and Transition Fittings in Polyethylene (PE) and Polyamide (PA11) and Polyamide 12 (PA12) Fuel Gas Distribution Systems,” to the 2025 edition (ASTM F1973).

ASTM F1973 covers requirements and test methods for the qualification of factory assembled anodeless risers and transition fittings, for use in polyethylene (PE), in sizes through NPS 8, and Polyamide 11 (PA11), in sizes through NPS 6, gas distribution systems.

References to the 2025 edition of the standard will replace existing references in § 192.204(b) and Appendix B to part 192 to ASTM F1973–21, Standard Specification for Factory Assembled Anodeless Risers and Transition Fittings in Polyethylene (PE) and Polyamide 11 (PA11) and Polyamide 12 (PA12) Fuel Gas Distribution Systems, November 1, 2021.¹ In parallel with updating in August 2025 regulatory references to this standard to the 2021 edition, PHMSA continued to review more recent editions of the standard for potential incorporation in its regulations. Based on that technical

review, PHMSA now supports further updating of the standard to the 2025 edition.

This updated standard will maintain or improve public safety, prevent regulatory confusion, and reduce compliance burdens on stakeholders. The National Technology Transfer and Advancement Act (NTTAA) of 1995 (15 U.S.C. 272 (note)) directs Federal agencies to, “when practical and consistent with applicable laws, use technical standards developed by voluntary consensus standard bodies instead of government-developed technical standards.” Consistent with that mandate, PHMSA incorporates more than 80 industry standards by reference into the Federal Pipeline Safety Regulations (49 CFR parts 190–199); however, many standards become outdated over time as new editions become available. 49 U.S.C. 60102(l) directs PHMSA to update incorporated industry standards.

Updating this standard ensures better alignment of PHMSA's regulations with innovations in operational and management practices, materials, testing, and technological advancements; enhances compliance by avoiding conflict between different versions of the same industry standards; and facilitates safety-focused allocation of resources by pipeline operators. PHMSA technical experts have evaluated the changes in the updated edition of ASTM F1973 and concluded it will either maintain or enhance the protection of public safety. These updates effectively mitigate safety gaps by incorporating innovations in equipment design, operational and maintenance practices, and testing, while addressing latent vulnerabilities that were historically unidentifiable due to the technical limitations of legacy data-gathering and monitoring capabilities. Indeed, PHMSA on July 1, 2025, published a direct final rule updating the reference within part 192 to the 2021 edition of this standard after preliminarily finding the revisions in that edition enhanced pipeline safety (90 FR 28079); PHMSA's evaluation of the handful of changes introduced in the standard since 2021 yield a similar conclusion regarding their safety impact. PHMSA further concludes that the direct final rule's updated standard is technically feasible, reasonable, cost-effective, and practicable because of its respective anticipated commercial and public safety benefits; and because the benefits better support PHMSA's safety priorities compared to alternatives, thereby justifying any associated compliance costs.

¹ “Periodic Safety: Standards Update—ASTM F1973,” 90 FR 28079 (July 1, 2025) (effective Jan. 1, 2026).

Availability of Materials to Interested Parties

Pursuant to section 24 of the Pipeline Safety, Regulatory Certainty, and Job Creation Act of 2011 (Pub. L. 112–90, codified at 49 U.S.C. 60102(p)), “the Secretary may not issue a regulation pursuant to this chapter that incorporates any documents or portions thereof unless the documents or portions thereof are made available to the public, free of charge.” The standard incorporated in this direct final rule is available from the following website: <https://www.astm.org/standards-and-solutions/standards-and-publications/reading-room>. The material can also be obtained by interested parties through the applicable publisher contact information listed in § 192.7. Additional information regarding standards availability can be found at <https://www.phmsa.dot.gov/standards-rulemaking/pipeline/standards-incorporated-reference>.

Commenting Instructions: Please include the docket number PHMSA–2026–1530 at the beginning of your comments. If you submit your comments by mail, submit two copies. If you wish to receive confirmation that PHMSA received your comments, include a self-addressed stamped postcard. Internet users may submit comments at <https://www.regulations.gov>.

Note: Comments are posted without changes or edits to <https://www.regulations.gov>, including any personal information provided. There is a privacy statement published on <https://www.regulations.gov>.

Privacy Act: In accordance with 5 U.S.C. 553(c), DOT solicits comments from the public to inform its rulemaking process. DOT posts these comments, without edit, including any personal information the commenter provides, to our docket at <https://www.regulations.gov>. You may review DOT’s complete Privacy Act Statement by visiting <https://www.dot.gov/privacy>.

Confidential Business Information: Confidential Business Information (CBI) is commercial or financial information that is both customarily and actually treated as private by its owner. Under the Freedom of Information Act (FOIA, 5 U.S.C. 552), CBI is exempt from public disclosure. It is important that you clearly designate the comments submitted as CBI if: your comments responsive to this document contain commercial or financial information that is customarily treated as private; you actually treat such information as private; and your comment is relevant or responsive to this notice. Pursuant to

49 CFR 190.343, you may ask PHMSA to provide confidential treatment to information you give to the agency by taking the following steps: (1) mark each page of the original document submission containing CBI as “Confidential;” (2) send PHMSA, along with the original document, a second copy of the original document with the CBI deleted; and (3) explain why the information that you are submitting is CBI. Submissions containing CBI should be sent to Brianna Wilson, Standards and Rulemaking Division, Pipeline and Hazardous Materials Safety Administration (PHMSA), 2nd Floor, 1200 New Jersey Avenue SE, Washington, DC 20590–0001, or by email at brianna.wilson@dot.gov. Any materials PHMSA receives that is not specifically designated as CBI will be placed in the public docket.

Docket: For access to the docket to read background documents or comments received, go to <http://www.regulations.gov>. Follow the online instructions for accessing the docket. Alternatively, you may review the documents in person at the street address listed above.

II. Regulatory Analysis and Notices

A. Legal Authority

This direct final rule is published under the authority of the Secretary of Transportation set forth in the Federal Pipeline Safety Laws (49 U.S.C. 60101 *et seq.*) and delegated to the PHMSA Administrator pursuant to 49 CFR 1.97. PHMSA has determined that this direct final rule—which updates an industry standard already incorporated by reference into its regulations—is unlikely to elicit significant adverse comment. *See* 49 U.S.C. 60102(b)(6)(A). PHMSA similarly finds that publication of a proposed rulemaking on which comment is solicited would be “unnecessary” pursuant to section 553(b)(B) of the Administrative Procedure Act (5 U.S.C. 551 *et seq.*) because this rulemaking merely adopts an updated version of an industry standard reflecting a broad consensus among affected industry stakeholders.

B. Executive Order 12866

E.O. 12866, *Regulatory Planning and Review*, as implemented by DOT Order 2100.6B (“Policies and Procedures for Rulemaking”) and DOT Order 2100.7 (“Ensuring Reliance upon Sound Economic Analysis in Department of Transportation Policies, Programs, and Activities”), requires agencies to regulate in the “most cost-effective manner,” to make a “reasoned determination that the benefits of the

intended regulation justify its costs,” and to develop regulations that “impose the least burden on society.” In arriving at those conclusions, E.O. 12866 requires that agencies should consider “both quantifiable measures . . . and qualitative measures of costs and benefits that are difficult to quantify” and “maximize net benefits . . . unless a statute requires another regulatory approach.” E.O. 12866 also requires that “agencies should assess all costs and benefits of available regulatory alternatives, including the alternative of not regulating.” DOT Order 2100.6B directs that PHMSA and other Operating Administrations must generally choose the “least costly regulatory alternative that achieves the relevant objectives” unless required by law or compelling safety need. DOT Order 2100.6B also specifies that regulations should generally “not be issued unless their benefits are expected to exceed their costs” except where required by law or compelling safety need. DOT Order 2100.7 requires that “all rulemaking activities shall be based on sound economic principles and analysis supported by rigorous cost-benefit requirement.”

E.O. 12866 and DOT Order 2100.6B also require that PHMSA submit “significant regulatory actions” to the Office of Information and Regulatory Affairs (OIRA) within the Executive Office of the President’s Office of Management and Budget (OMB) for review. This final rule is a not significant regulatory action pursuant to E.O. 12866; OMB also has not designated this rule as a “major rule” as defined by the Congressional Review Act (5 U.S.C. 801 *et seq.*).

PHMSA has complied with the procedural and analytical requirements in E.O. 12866 as implemented by DOT Order 2100.6B and DOT Order 2100.7 and determined that this direct final rule may result in minimal cost savings by reducing regulatory burdens and regulatory uncertainty for pipeline facility operators. In general, updates to consensus industry standards are widely accepted and followed on a voluntary basis throughout most of the pipeline industry. PHMSA understands that most pipeline operators already purchase and voluntarily apply industry standards—including the updated standard that is the subject of this rulemaking—within their ordinary business practices. Incorporation of the updated version of the standard referenced in this direct final rule will help ensure that the industry is not forced to incur the additional cost of complying with different versions of the

same standard. The cost savings of this rulemaking could not be quantified.

Updating to a more recent edition of the industry standard will ensure better alignment of PHMSA's regulations with innovations in operational and maintenance practices, equipment design, and testing. These updates address known safety risks, encourage facilities to invest in safety enhancing innovations, and improve public safety.

C. Executive Orders 14192 and Executive Order 14219

This direct final rule is considered a deregulatory action pursuant to E.O. 14192, *Unleashing Prosperity Through Deregulation*. PHMSA estimates that the total costs of the direct final rule on the regulated community will be less than zero. Nor do the regulatory amendments herein implicate any of the factors identified in section 2(a) of E.O. 14219, *Ensuring Lawful Governance and Implementing the President's "Department of Government Efficiency" Deregulatory Initiative*, indicative that a regulation is "unlawful . . . [or] that undermine[s] the national interest."

D. Energy-Related Executive Orders 13211, 14154, and 14156

The President has declared in E.O. 14156, *Declaring a National Energy Emergency*, a National emergency to address inadequate U.S. energy development production, transportation, refining, and generation capacity. Similarly, E.O. 14154, *Unleashing American Energy*, asserts a Federal policy to unleash American energy by ensuring access to abundant supplies of reliable, affordable energy from (inter alia) the removal of "undue burden[s]" on the identification, development, or use of domestic energy resources such as PHMSA-jurisdictional gasses and hazardous liquids. PHMSA finds this direct final rule is consistent with each of E.O. 14156 and E.O. 14154. The direct final rule will give affected pipeline operators the benefit of using the updated standard to maintain or improve public safety, prevent regulatory confusion, and reduce compliance burdens on stakeholders. PHMSA therefore expects the regulatory amendments in this direct final rule will in turn increase national pipeline transportation capacity and improve pipeline operators' ability to provide abundant, reliable, affordable natural gas in response to residential, commercial, and industrial demand.

However, this direct final rule is not a "significant energy action" under E.O. 13211, *Actions Concerning Regulations That Significantly Affect Energy Supply, Distribution, or Use*, which requires

Federal agencies to prepare a Statement of Energy Effects for any "significant energy action." Because this direct final rule is not a significant action under E.O. 12866, it will not have a significant adverse effect on supply, distribution, or energy use.

E. Executive Order 13132: Federalism

PHMSA analyzed this direct final rule in accordance with the principles and criteria contained in E.O. 13132, *Federalism*, and the Presidential Memorandum ("Preemption") published in the **Federal Register** on May 22, 2009. E.O. 13132 requires agencies to assure meaningful and timely input by State and local officials in the development of regulatory policies that may have "substantial direct effects on the States, on the relationship between the National Government and the States, or on the distribution of power and responsibilities among the various levels of government."

While the direct final rule may operate to preempt some State requirements, it will not impose any regulation that has substantial direct effects on the States, the relationship between the National Government and the States, or the distribution of power and responsibilities among the various levels of government. Section 60104(c) of the Federal Pipeline Safety Laws prohibits certain State safety regulation of interstate pipelines. Under the Federal Pipeline Safety Laws, States that have submitted a current certification under section 60105(a) can augment Federal pipeline safety requirements for intrastate pipelines regulated by PHMSA but may not approve safety requirements less stringent than those required by Federal law. A State may also regulate an intrastate pipeline facility that PHMSA does not regulate. The preemptive effect of the regulatory amendments in this direct final rule is limited to the minimum level necessary to achieve the objectives of the Federal Pipeline Safety Laws. Therefore, the consultation and funding requirements of E.O. 13132 do not apply.

F. Regulatory Flexibility Act

The Regulatory Flexibility Act (RFA, 5 U.S.C. 601 *et seq.*) requires Federal agencies to conduct a Final Regulatory Flexibility Analysis (FRFA) for a final rule subject to notice-and-comment rulemaking, unless the agency certifies that the rule will not have a significant economic impact on a substantial number of small entities. The RFA applies only to rules for which an agency is required to first publish a proposed rule (*see* 5 U.S.C. 603(a) and

604(a)). PHMSA is not required to publish a notice of proposed rulemaking for this DFR, so the RFA does not apply. However, PHMSA expects no affected operators will face significant costs because the referenced standard is widely available for purchase at relatively low cost, most operators are already in compliance with the content of the referenced standard, and compliance costs for any remaining operators are expected to be negligible.

G. Unfunded Mandates Reform Act of 1995

The Unfunded Mandates Reform Act (UMRA, 2 U.S.C. 1501 *et seq.*) requires agencies to assess the effects of Federal regulatory actions on State, local, and Tribal governments, and the private sector. For any proposed or direct final rule that includes a Federal mandate that may result in the expenditure by State, local, and Tribal governments, in the aggregate of \$100 million or more in 1996 dollars (\$203 million in 2024 dollars) in any given year, the agency must prepare, amongst other things, a written statement that qualitatively and quantitatively assesses the costs and benefits of the Federal mandate.

This direct final rule does not impose unfunded mandates under UMRA because it does not result in costs of \$100 million or more (in 1996 dollars) per year for either State, local, or Tribal governments, or to the private sector.

H. National Environmental Policy Act

PHMSA has analyzed this rule pursuant to the National Environmental Policy Act (NEPA, 42 U.S.C. 4321 *et seq.*) and has determined it is categorically excluded under 23 CFR 771.117(c)(20), which applies to the promulgation of rules, regulations, and directives. Under section 9 of DOT Order 5610.1D ("DOT's Procedures for Considering Environmental Impacts"), PHMSA may apply a categorical exclusion established in another Operating Administration's procedures. PHMSA followed the requirements outlined in DOT Order 5610.1D to apply a categorical exclusion issued by the Federal Highway Administration (FHWA) to this deregulatory action. PHMSA does not anticipate any adverse environmental impacts from this rule, and PHMSA has determined no unusual circumstances are present under 23 CFR 771.117(b). PHMSA's Categorical Exclusion Determination memo for this action is available on PHMSA's website.²

² DOT, *Implementing Procedures*, <https://www.phmsa.dot.gov/planning-and-analytics/environmental-analysis-and-compliance/implementing-procedures>.

I. Executive Order 13175

PHMSA analyzed this direct final rule according to the principles and criteria in E.O. 13175, *Consultation and Coordination with Indian Tribal Governments*, and DOT Order 5301.1A (“Department of Transportation Tribal Consultation Policies and Procedures”). E.O. 13175 requires agencies to assure meaningful and timely input from Tribal government representatives in the development of rules that significantly or uniquely affect Tribal communities by imposing “substantial direct compliance costs” or “substantial direct effects” on such communities or the relationship or distribution of power between the Federal Government and Tribes.

PHMSA assessed the impact of the direct final rule and determined that it will not significantly or uniquely affect Tribal communities or Indian Tribal governments. The rulemaking’s regulatory amendments have a broad, national scope; therefore, this direct final rule will not significantly or uniquely affect Tribal communities, much less impose substantial compliance costs on Native American Tribal governments or mandate Tribal action. For these reasons, PHMSA has concluded that the funding and consultation requirements of E.O. 13175 and DOT Order 5301.1A do not apply.

J. Paperwork Reduction Act

The Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*) and its implementing regulations at 5 CFR 1320.8(d) requires that PHMSA provide interested members of the public and affected agencies with an opportunity to comment on information collection and recordkeeping requests. This rulemaking will not create, amend, or rescind any existing information collections.

K. Executive Order 13609 and International Trade Analysis

E.O. 13609, *Promoting International Regulatory Cooperation*, requires agencies to consider whether the impacts associated with significant variations between domestic and international regulatory approaches are unnecessary or may impair the ability of American business to export and compete internationally. In meeting shared challenges involving health, safety, labor, security, environmental, and other issues, international regulatory cooperation can identify approaches that are at least as protective as those that are or would be adopted in the absence of such cooperation. International regulatory cooperation can

also reduce, eliminate, or prevent unnecessary differences in regulatory requirements.

Similarly, the Trade Agreements Act of 1979 (Pub. L. 96–39), as amended by the Uruguay Round Agreements Act (Pub. L. 103–465), prohibits Federal agencies from establishing any standards or engaging in related activities that create unnecessary obstacles to the foreign commerce of the United States. For purposes of these requirements, Federal agencies may participate in the establishment of international standards, so long as the standards have a legitimate domestic objective, such as providing for safety, and do not operate to exclude imports that meet this objective. The statute also requires consideration of international standards and, where appropriate, that they be the basis for U.S. standards.

PHMSA engages with international standards setting bodies to protect the safety of the American public. PHMSA has assessed the effects of the direct final rule and has determined that its regulatory amendments will not cause unnecessary obstacles to foreign trade.

L. Cybersecurity and Executive Order 14028

E.O. 14028, *Improving the Nation’s Cybersecurity*, directed the Federal Government to improve its efforts to identify, deter, and respond to “persistent and increasingly sophisticated malicious cyber campaigns.” PHMSA has considered the effects of the direct final rule and has determined that its regulatory amendments will not materially affect the cybersecurity risk profile for pipeline facilities.

List of Subjects in 49 CFR Part 192

Incorporation by reference, Natural gas, Pipeline safety.

For the reasons set forth above, PHMSA amends 49 CFR part 192 as follows:

PART 192—TRANSPORTATION OF NATURAL AND OTHER GAS BY PIPELINE: MINIMUM FEDERAL SAFETY STANDARDS

■ 1. The authority citation for part 192 continues to read as follows:

Authority: 30 U.S.C. 185(w)(3), 49 U.S.C. 5103, 60101 *et seq.*, and 49 CFR 1.97.

■ 2. In § 192.7, revise paragraph (f)(17) to read as follows:

§ 192.7 What documents are incorporated by reference partly or wholly in this part?

* * * * *

(f) * * *

(17) ASTM F1973–25, Standard Specification for Factory Assembled Anodeless Risers and Transition Fittings in Polyethylene (PE) and Polyamide 11 (PA11) and Polyamide 12 (PA12) Fuel Gas Distribution Systems, approved May 1, 2025, (ASTM F1973); IBR approved for § 192.204(b); appendix B to this part.

* * * * *

Issued in Washington, DC, on April 22, 2026, under the authority delegated in 49 CFR 1.97.

Paul J. Roberti,
Administrator.

[FR Doc. 2026–08048 Filed 4–23–26; 8:45 am]

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DEPARTMENT OF TRANSPORTATION

Pipeline and Hazardous Materials Safety Administration

49 CFR Part 192

[Docket No. PHMSA–2026–1528; Amdt. No. 192–164]

RIN 2137–AG32

Pipeline Safety: Standards Update—ASTM D2513

AGENCY: Pipeline and Hazardous Materials Safety Administration (PHMSA), Department of Transportation (DOT).

ACTION: Direct final rule (DFR); request for comments.

SUMMARY: This DFR amends PHMSA’s regulations to incorporate by reference an updated edition of industry standard ASTM D2513, Standard Specification for Polyethylene (PE) Gas Pressure Pipe, Tubing, and Fittings. This updated standard will maintain or improve public safety, prevent regulatory confusion, reduce compliance burdens on stakeholders, and satisfy a mandate in the National Technology Transfer and Advancement Act (NTTAA) of 1995.

DATES: The DFR is effective January 1, 2027, unless adverse comments are received by June 23, 2026. If adverse comments are received, notification will be published in the **Federal Register** before the effective date withdrawing the rule and publishing a notice of proposed rulemaking to provide an additional opportunity for public comment. Compliance after June 23, 2026 is authorized. The incorporation by reference of certain material listed in this rule is approved by the Director of the **Federal Register** as of January 1, 2027.

ADDRESSES: You may submit comments identified by the Docket Number

PHMSA–2026–1528 using any of the following methods:

E-Gov Web: <https://www.regulations.gov>. This site allows the public to enter comments on any **Federal Register** notice issued by any agency. Follow the online instructions for submitting comments.

Mail: Docket Management System: U.S. Department of Transportation, 1200 New Jersey Avenue SE, West Building Ground Floor, Room W12–140, Washington, DC 20590–0001. Alternatively, hand delivery is available to this address between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

Fax: 1–202–493–2251.

For commenting instructions and additional information about commenting, see **SUPPLEMENTARY INFORMATION**.

FOR FURTHER INFORMATION CONTACT:

Brianna Wilson, Transportation Specialist, 1200 New Jersey Avenue SE, Washington, DC 20590, by phone at 771–215–0969 or email at brianna.wilson@dot.gov.

SUPPLEMENTARY INFORMATION:

I. General Discussion

Through this DFR, PHMSA is incorporating by reference an update to a voluntary, consensus industry technical standard already incorporated by reference within 49 CFR part 192. Specifically, PHMSA is updating the referenced edition of industry standard ASTM D2513, Standard Specification for Polyethylene (PE) Gas Pressure Pipe, Tubing, and Fittings, to the approved 2024 edition (ASTM D2513).

ASTM D2513 presents the current state of knowledge and technology applicable to PE pipe, tubing, and fittings used for fuel gas pipelines, including pipe that is used to distribute natural gas.

A reference to the 2024 edition of the standard will replace the existing reference within Appendix B to part 192 to ASTM D2513–20, Standard Specification for Polyethylene (PE) Gas Pressure Pipe, Tubing, and Fittings, approved December 1, 2020.¹ While in parallel with updating in August 2025 regulatory references to this standard to the 2020 edition, PHMSA continued to review more recent editions of the standard for potential incorporation in its regulations. Based on that technical review, PHMSA now supports further

updating of the standard to the 2024 edition.

This updated standard will maintain or improve public safety, prevent regulatory confusion, and reduce compliance burdens on stakeholders. The National Technology Transfer and Advancement Act (NTTAA) of 1995 (15 U.S.C. 272 (note)) directs Federal agencies to, “when practical and consistent with applicable laws, use technical standards developed by voluntary consensus standard bodies instead of government-developed technical standards.” Consistent with that mandate, PHMSA incorporates more than 80 industry standards by reference into the Federal Pipeline Safety Regulations (49 CFR parts 190–199); however, many standards become outdated over time as new editions become available. 49 U.S.C. 60102(I) directs PHMSA to update incorporated industry standards.

Updating this standard ensures better alignment of PHMSA’s regulations with innovations in operational and management practices, materials, testing, and technological advancements; enhances compliance by avoiding conflict between different versions of the same industry standards; and facilitates safety-focused allocation of resources by pipeline operators. PHMSA technical experts have evaluated the changes in the updated edition of ASTM D2513 and concluded it will either maintain or enhance the protection of public safety. These updates effectively mitigate safety gaps by incorporating innovations in equipment design, operational and maintenance practices, and testing, while addressing latent vulnerabilities that were historically unidentifiable due to the technical limitations of legacy data-gathering and monitoring capabilities. Indeed, PHMSA on August 21, 2025, published a final rule updating the reference within part 192 to the 2020 edition of this standard after preliminarily finding the revisions in that edition enhanced pipeline safety (90 FR 40749); PHMSA’s evaluation of the handful of changes introduced in the standard since 2020 yield a similar conclusion regarding their safety impact. PHMSA further concludes that the direct final rule’s updated standard is technically feasible, reasonable, cost-effective, and practicable because of its respective anticipated commercial and public safety benefits; and because the benefits better support PHMSA’s safety priorities compared to alternatives, thereby justifying any associated compliance costs.

Availability of Materials to Interested Parties

Pursuant to section 24 of the Pipeline Safety, Regulatory Certainty, and Job Creation Act of 2011 (Pub. L. 112–90, codified at 49 U.S.C. 60102(p)), “the Secretary may not issue a regulation pursuant to this chapter that incorporates any documents or portions thereof unless the documents or portions thereof are made available to the public, free of charge.” The standard incorporated in this direct final rule is available from the following website: <https://www.astm.org/standards-and-solutions/standards-and-publications/reading-room>. The material can also be obtained by interested parties through the applicable publisher contact information listed in § 192.7. Additional information regarding standards availability can be found at <https://www.phmsa.dot.gov/standards-rulemaking/pipeline/standards-incorporated-reference>.

Commenting Instructions: Please include the docket number PHMSA–2026–1528 at the beginning of your comments. If you submit your comments by mail, submit two copies. If you wish to receive confirmation that PHMSA received your comments, include a self-addressed stamped postcard. Internet users may submit comments at <https://www.regulations.gov>.

Note: Comments are posted without changes or edits to <https://www.regulations.gov>, including any personal information provided. There is a privacy statement published on <https://www.regulations.gov>.

Privacy Act: In accordance with 5 U.S.C. 553(c), DOT solicits comments from the public to inform its rulemaking process. DOT posts these comments, without edit, including any personal information the commenter provides, to our docket at <https://www.regulations.gov>. You may review DOT’s complete Privacy Act Statement by visiting <https://www.dot.gov/privacy>.

Confidential Business Information: Confidential Business Information (CBI) is commercial or financial information that is both customarily and actually treated as private by its owner. Under the Freedom of Information Act (FOIA, 5 U.S.C. 552), CBI is exempt from public disclosure. It is important that you clearly designate the comments submitted as CBI if: your comments responsive to this document contain commercial or financial information that is customarily treated as private; you actually treat such information as private; and your comment is relevant or responsive to this notice. Pursuant to

¹ PHMSA, *Periodic Safety: Periodic Standards Update II*, 90 FR 40749 (Aug. 21, 2025) (effective Jan. 10, 2026). The current direct final rule reflects the list of references as they will exist after this effective date.

49 CFR 190.343, you may ask PHMSA to provide confidential treatment to information you give to the agency by taking the following steps: (1) mark each page of the original document submission containing CBI as “Confidential;” (2) send PHMSA, along with the original document, a second copy of the original document with the CBI deleted; and (3) explain why the information that you are submitting is CBI. Submissions containing CBI should be sent to Brianna Wilson, Standards and Rulemaking Division, Pipeline and Hazardous Materials Safety Administration (PHMSA), 2nd Floor, 1200 New Jersey Avenue SE, Washington, DC 20590–0001, or by email at brianna.wilson@dot.gov. Any materials PHMSA receives that is not specifically designated as CBI will be placed in the public docket.

Docket: For access to the docket to read background documents or comments received, go to <http://www.regulations.gov>. Follow the online instructions for accessing the docket. Alternatively, you may review the documents in person at the street address listed above.

II. Regulatory Analysis and Notices

A. Legal Authority

This direct final rule is published under the authority of the Secretary of Transportation set forth in the Federal Pipeline Safety Laws (49 U.S.C. 60101 *et seq.*) and delegated to the PHMSA Administrator pursuant to 49 CFR 1.97. PHMSA has determined that this direct final rule—which updates an industry standard already incorporated by reference into its regulations—is unlikely to elicit significant adverse comment. *See* 49 U.S.C. 60102(b)(6)(A). PHMSA similarly finds that publication of a proposed rulemaking on which comment is solicited would be “unnecessary” pursuant to section 553(b)(B) of the Administrative Procedure Act (5 U.S.C. 551 *et seq.*) because this rulemaking merely adopts an updated version of an industry standard reflecting a broad consensus among affected industry stakeholders.

B. Executive Order 12866

E.O. 12866, *Regulatory Planning and Review*, as implemented by DOT Order 2100.6B (“Policies and Procedures for Rulemaking”) and DOT Order 2100.7 (“Ensuring Reliance upon Sound Economic Analysis in Department of Transportation Policies, Programs, and Activities”), requires agencies to regulate in the “most cost-effective manner,” to make a “reasoned determination that the benefits of the

intended regulation justify its costs,” and to develop regulations that “impose the least burden on society.” In arriving at those conclusions, E.O. 12866 requires that agencies should consider “both quantifiable measures . . . and qualitative measures of costs and benefits that are difficult to quantify” and “maximize net benefits . . . unless a statute requires another regulatory approach.” E.O. 12866 also requires that “agencies should assess all costs and benefits of available regulatory alternatives, including the alternative of not regulating.” DOT Order 2100.6B directs that PHMSA and other Operating Administrations must generally choose the “least costly regulatory alternative that achieves the relevant objectives” unless required by law or compelling safety need. DOT Order 2100.6B also specifies that regulations should generally “not be issued unless their benefits are expected to exceed their costs” except where required by law or compelling safety need. DOT Order 2100.7 requires that “all rulemaking activities shall be based on sound economic principles and analysis supported by rigorous cost-benefit requirement.”

E.O. 12866 and DOT Order 2100.6B also require that PHMSA submit “significant regulatory actions” to the Office of Information and Regulatory Affairs (OIRA) within the Executive Office of the President’s Office of Management and Budget (OMB) for review. This final rule is a not significant regulatory action pursuant to E.O. 12866; OMB also has not designated this rule as a “major rule” as defined by the Congressional Review Act (5 U.S.C. 801 *et seq.*).

PHMSA has complied with the procedural and analytical requirements in E.O. 12866 as implemented by DOT Order 2100.6B and DOT Order 2100.7 and determined that this direct final rule may result in minimal cost savings by reducing regulatory burdens and regulatory uncertainty for pipeline facility operators. In general, updates to consensus industry standards are widely accepted and followed on a voluntary basis throughout most of the pipeline industry. PHMSA understands that most pipeline operators already purchase and voluntarily apply industry standards—including the updated standard that is the subject of this rulemaking—within their ordinary business practices. Incorporation of the updated version of the standard referenced in this direct final rule will help ensure that the industry is not forced to incur the additional cost of complying with different versions of the

same standard. The cost savings of this rulemaking could not be quantified.

Updating to a more recent edition of the industry standard will ensure better alignment of PHMSA’s regulations with innovations in operational and maintenance practices, equipment design, and testing. These updates address known safety risks, encourage facilities to invest in safety enhancing innovations, and improve public safety.

C. Executive Orders 14192 and Executive Order 14219

This direct final rule is considered a deregulatory action pursuant to E.O. 14192, *Unleashing Prosperity Through Deregulation*. PHMSA estimates that the total costs of the direct final rule on the regulated community will be less than zero. Nor do the regulatory amendments herein implicate any of the factors identified in section 2(a) of E.O. 14219, *Ensuring Lawful Governance and Implementing the President’s “Department of Government Efficiency” Deregulatory Initiative*, indicative that a regulation is “unlawful . . . [or] that undermine[s] the national interest.”

D. Energy-Related Executive Orders 13211, 14154, and 14156

The President has declared in E.O. 14156, *Declaring a National Energy Emergency*, a National emergency to address inadequate U.S. energy development production, transportation, refining, and generation capacity. Similarly, E.O. 14154, *Unleashing American Energy*, asserts a Federal policy to unleash American energy by ensuring access to abundant supplies of reliable, affordable energy from (inter alia) the removal of “undue burden[s]” on the identification, development, or use of domestic energy resources such as PHMSA-jurisdictional gasses and hazardous liquids. PHMSA finds this direct final rule is consistent with each of E.O. 14156 and E.O. 14154. The direct final rule will give affected pipeline operators the benefit of using the updated standard to maintain or improve public safety, prevent regulatory confusion, and reduce compliance burdens on stakeholders. PHMSA therefore expects the regulatory amendments in this direct final rule will in turn increase national pipeline transportation capacity and improve pipeline operators’ ability to provide abundant, reliable, affordable natural gas in response to residential, commercial, and industrial demand.

However, this direct final rule is not a “significant energy action” under E.O. 13211, *Actions Concerning Regulations That Significantly Affect Energy Supply, Distribution, or Use*, which requires

Federal agencies to prepare a Statement of Energy Effects for any “significant energy action.” Because this direct final rule is not a significant action under E.O. 12866, it will not have a significant adverse effect on supply, distribution, or energy use.

E. Executive Order 13132: Federalism

PHMSA analyzed this direct final rule in accordance with the principles and criteria contained in E.O. 13132, *Federalism*, and the Presidential Memorandum (“Preemption”) published in the **Federal Register** on May 22, 2009. E.O. 13132 requires agencies to assure meaningful and timely input by State and local officials in the development of regulatory policies that may have “substantial direct effects on the States, on the relationship between the National Government and the States, or on the distribution of power and responsibilities among the various levels of government.”

While the direct final rule may operate to preempt some State requirements, it will not impose any regulation that has substantial direct effects on the States, the relationship between the National Government and the States, or the distribution of power and responsibilities among the various levels of government. Section 60104(c) of the Federal Pipeline Safety Laws prohibits certain State safety regulation of interstate pipelines. Under the Federal Pipeline Safety Laws, States that have submitted a current certification under section 60105(a) can augment Federal pipeline safety requirements for intrastate pipelines regulated by PHMSA but may not approve safety requirements less stringent than those required by Federal law. A State may also regulate an intrastate pipeline facility that PHMSA does not regulate. The preemptive effect of the regulatory amendments in this direct final rule is limited to the minimum level necessary to achieve the objectives of the Federal Pipeline Safety Laws. Therefore, the consultation and funding requirements of E.O. 13132 do not apply.

F. Regulatory Flexibility Act

The Regulatory Flexibility Act (RFA, 5 U.S.C. 601 *et seq.*) requires Federal agencies to conduct a Final Regulatory Flexibility Analysis (FRFA) for a final rule subject to notice-and-comment rulemaking, unless the agency certifies that the rule will not have a significant economic impact on a substantial number of small entities. The RFA applies only to rules for which an agency is required to first publish a proposed rule (*see* 5 U.S.C. 603(a) and

604(a)). PHMSA is not required to publish a notice of proposed rulemaking for this DFR, so the RFA does not apply. However, PHMSA expects no affected operators will face significant costs because the referenced standard is widely available for purchase at relatively low cost, most operators are already in compliance with the content of the referenced standard, and compliance costs for any remaining operators are expected to be negligible.

G. Unfunded Mandates Reform Act of 1995

The Unfunded Mandates Reform Act (UMRA, 2 U.S.C. 1501 *et seq.*) requires agencies to assess the effects of Federal regulatory actions on State, local, and Tribal governments, and the private sector. For any proposed or direct final rule that includes a Federal mandate that may result in the expenditure by State, local, and Tribal governments, in the aggregate of \$100 million or more in 1996 dollars (\$203 million in 2024 dollars) in any given year, the agency must prepare, amongst other things, a written statement that qualitatively and quantitatively assesses the costs and benefits of the Federal mandate.

This direct final rule does not impose unfunded mandates under UMRA because it does not result in costs of \$100 million or more (in 1996 dollars) per year for either State, local, or Tribal governments, or to the private sector.

H. National Environmental Policy Act

PHMSA has analyzed this rule pursuant to the National Environmental Policy Act (NEPA, 42 U.S.C. 4321 *et seq.*) and has determined it is categorically excluded under 23 CFR 771.117(c)(20), which applies to the promulgation of rules, regulations, and directives. Under section 9 of DOT Order 5610.1D (“DOT’s Procedures for Considering Environmental Impacts”), PHMSA may apply a categorical exclusion established in another Operating Administration’s procedures. PHMSA followed the requirements outlined in DOT Order 5610.1D to apply a categorical exclusion issued by the Federal Highway Administration (FHWA) to this deregulatory action. PHMSA does not anticipate any adverse environmental impacts from this rule, and PHMSA has determined no unusual circumstances are present under 23 CFR 771.117(b). PHMSA’s Categorical Exclusion Determination memo for this action is available on PHMSA’s website.²

² DOT, *Implementing Procedures*, <https://www.phmsa.dot.gov/planning-and-analytics/environmental-analysis-and-compliance/implementing-procedures>.

I. Executive Order 13175

PHMSA analyzed this direct final rule according to the principles and criteria in E.O. 13175, *Consultation and Coordination with Indian Tribal Governments*, and DOT Order 5301.1A (“Department of Transportation Tribal Consultation Policies and Procedures”). E.O. 13175 requires agencies to assure meaningful and timely input from Tribal government representatives in the development of rules that significantly or uniquely affect Tribal communities by imposing “substantial direct compliance costs” or “substantial direct effects” on such communities or the relationship or distribution of power between the Federal Government and Tribes.

PHMSA assessed the impact of the direct final rule and determined that it will not significantly or uniquely affect Tribal communities or Indian Tribal governments. The rulemaking’s regulatory amendments have a broad, national scope; therefore, this direct final rule will not significantly or uniquely affect Tribal communities, much less impose substantial compliance costs on Native American Tribal governments or mandate Tribal action. For these reasons, PHMSA has concluded that the funding and consultation requirements of E.O. 13175 and DOT Order 5301.1A do not apply.

J. Paperwork Reduction Act

The Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*) and its implementing regulations at 5 CFR 1320.8(d) requires that PHMSA provide interested members of the public and affected agencies with an opportunity to comment on information collection and recordkeeping requests. This rulemaking will not create, amend, or rescind any existing information collections.

K. Executive Order 13609 and International Trade Analysis

E.O. 13609, *Promoting International Regulatory Cooperation*, requires agencies to consider whether the impacts associated with significant variations between domestic and international regulatory approaches are unnecessary or may impair the ability of American business to export and compete internationally. In meeting shared challenges involving health, safety, labor, security, environmental, and other issues, international regulatory cooperation can identify approaches that are at least as protective as those that are or would be adopted in the absence of such cooperation. International regulatory cooperation can

also reduce, eliminate, or prevent unnecessary differences in regulatory requirements.

Similarly, the Trade Agreements Act of 1979 (Pub. L. 96–39), as amended by the Uruguay Round Agreements Act (Pub. L. 103–465), prohibits Federal agencies from establishing any standards or engaging in related activities that create unnecessary obstacles to the foreign commerce of the United States. For purposes of these requirements, Federal agencies may participate in the establishment of international standards, so long as the standards have a legitimate domestic objective, such as providing for safety, and do not operate to exclude imports that meet this objective. The statute also requires consideration of international standards and, where appropriate, that they be the basis for U.S. standards.

PHMSA engages with international standards setting bodies to protect the safety of the American public. PHMSA has assessed the effects of the direct final rule and has determined that its regulatory amendments will not cause unnecessary obstacles to foreign trade.

L. Cybersecurity and Executive Order 14028

E.O. 14028, *Improving the Nation's Cybersecurity*, directed the Federal Government to improve its efforts to identify, deter, and respond to “persistent and increasingly sophisticated malicious cyber campaigns.” PHMSA has considered the effects of the direct final rule and has determined that its regulatory amendments will not materially affect the cybersecurity risk profile for pipeline facilities.

List of Subjects in 49 CFR Part 192

Incorporation by reference, Natural gas, Pipeline safety.

For the reasons set forth above, PHMSA amends 49 CFR part 192 as follows:

PART 192—TRANSPORTATION OF NATURAL AND OTHER GAS BY PIPELINE: MINIMUM FEDERAL SAFETY STANDARDS

■ 1. The authority citation for part 192 continues to read as follows:

Authority: 30 U.S.C. 185(w)(3), 49 U.S.C. 5103, 60101 *et seq.*, and 49 CFR 1.97.

■ 2. In § 192.7, revise paragraph (f)(11) to read as follows:

§ 192.7 What documents are incorporated by reference partly or wholly in this part?

* * * * *

(f) * * *

(11) ASTM D2513–24e1, Standard Specification for Polyethylene (PE) Gas Pressure Pipe, Tubing, and Fittings, approved July 1, 2024, (ASTM D2513); IBR approved for appendix B to this part.

* * * * *

Issued in Washington, DC, on April 22, 2026, under the authority delegated in 49 CFR 1.97.

Paul J. Roberti,
Administrator.

[FR Doc. 2026–08046 Filed 4–23–26; 8:45 am]

BILLING CODE 4910–60–P

DEPARTMENT OF TRANSPORTATION

Pipeline and Hazardous Materials Safety Administration

49 CFR Parts 192 and 195

[Docket No. PHMSA–2026–1533; Amdt. Nos. 192–168 and 195–122]

RIN 2137–AG37

Pipeline Safety: Standards Update—NACE SP0502

AGENCY: Pipeline and Hazardous Materials Safety Administration (PHMSA), Department of Transportation (DOT).

ACTION: Direct final rule (DFR); request for comments.

SUMMARY: This DFR amends PHMSA's regulations to incorporate by reference an updated edition of industry standard NACE SP0502, Pipeline External Corrosion Direct Assessment Methodology. This updated standard will maintain or improve public safety, prevent regulatory confusion, reduce compliance burdens on stakeholders, and satisfy a mandate in the National Technology Transfer and Advancement Act (NTTAA) of 1995.

DATES: The DFR is effective January 1, 2027, unless adverse comments are received by June 23, 2026. If adverse comments are received, notification will be published in the **Federal Register** before the effective date withdrawing the rule and publishing a notice of proposed rulemaking to provide an additional opportunity for public comment. Compliance after June 23, 2026 is authorized. The incorporation by reference of certain material listed in this rule is approved by the Director of the Federal Register as of January 1, 2027.

ADDRESSES: You may submit comments identified by the Docket Number PHMSA–2026–1533 using any of the following methods:

E-Gov Web: <https://www.regulations.gov>. This site allows the public to enter comments on any **Federal Register** notice issued by any agency. Follow the online instructions for submitting comments.

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Fax: 1–202–493–2251.

For commenting instructions and additional information about commenting, see **SUPPLEMENTARY INFORMATION**.

FOR FURTHER INFORMATION CONTACT:

Alyssa Imam, Transportation Specialist, 1200 New Jersey Avenue SE, Washington, DC 20590, by phone at 202–738–3850 or email at alyssa.imam@dot.gov.

SUPPLEMENTARY INFORMATION:

I. General Discussion

Through this DFR, PHMSA is incorporating by reference an update to a voluntary, consensus industry technical standard already incorporated by reference within 49 CFR parts 192 and 195. Specifically, PHMSA is updating the referenced edition of industry standard NACE SP0502, Pipeline External Corrosion Direct Assessment Methodology to the 2025 edition (NACE SP0502).

NACE SP0502 covers the Association for Materials Protection and Performance (AMPP) external corrosion direct assessment (ECDA) process for buried onshore ferrous piping systems.

References to the 2025 edition of the standard will replace existing references in §§ 192.319(f); 192.461(h); 192.620(d); 192.923(b); 192.925(b); 192.931(d); 192.935(b); 192.939(a); and § 195.588(b) to ANSI/NACE SP0502–2010, “Pipeline External Corrosion Direct Assessment Methodology,” revised June 24, 2010.

This updated standard will maintain or improve public safety, prevent regulatory confusion, and reduce compliance burdens on stakeholders. The National Technology Transfer and Advancement Act (NTTAA) of 1995 (15 U.S.C. 272 (note)) directs Federal agencies to, “when practical and consistent with applicable laws, use technical standards developed by voluntary consensus standard bodies instead of government-developed technical standards.” Consistent with that mandate, PHMSA incorporates more than 80 industry standards by

reference into the Federal Pipeline Safety Regulations (49 CFR parts 190–199); however, many standards become outdated over time as new editions become available. 49 U.S.C. 60102(l) directs PHMSA to update incorporated industry standards.

Updating this standard ensures better alignment of PHMSA's regulations with innovations in operational and management practices, materials, testing, and technological advancements; enhances compliance by avoiding conflict between different versions of the same industry standards; and facilitates safety-focused allocation of resources by pipeline operators. PHMSA technical experts have evaluated the changes in the updated edition of NACE SP0502 and concluded it will either maintain or enhance the protection of public safety. These updates effectively mitigate safety gaps by incorporating innovations in equipment design, operational and maintenance practices, and testing, while addressing latent vulnerabilities that were historically unidentifiable due to the technical limitations of legacy data-gathering and monitoring capabilities. PHMSA further concludes that the direct final rule's updated standard is technically feasible, reasonable, cost-effective, and practicable because of its respective anticipated commercial and public safety benefits; and because the benefits better support PHMSA's safety priorities compared to alternatives, thereby justifying any associated compliance costs.

Availability of Materials to Interested Parties

Pursuant to section 24 of the Pipeline Safety, Regulatory Certainty, and Job Creation Act of 2011 (Pub. L. 112–90, codified at 49 U.S.C. 60102(p)), “the Secretary may not issue a regulation pursuant to this chapter that incorporates any documents or portions thereof unless the documents or portions thereof are made available to the public, free of charge.” The standard incorporated in this direct final rule is available from the following website: <https://ibr.ansi.org/Standards/nace.aspx>. The material can also be obtained by interested parties through the applicable publisher contact information listed in §§ 192.7 and 195.3. Additional information regarding standards availability can be found at <https://www.phmsa.dot.gov/standards-rulemaking/pipeline/standards-incorporated-reference>.

Commenting Instructions: Please include the docket number PHMSA–2026–1533 at the beginning of your

comments. If you submit your comments by mail, submit two copies. If you wish to receive confirmation that PHMSA received your comments, include a self-addressed stamped postcard. Internet users may submit comments at <https://www.regulations.gov>.

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documents in person at the street address listed above.

II. Regulatory Analysis and Notices

A. Legal Authority

This direct final rule is published under the authority of the Secretary of Transportation set forth in the Federal Pipeline Safety Laws (49 U.S.C. 60101 *et seq.*) and delegated to the PHMSA Administrator pursuant to 49 CFR 1.97. PHMSA has determined that this direct final rule—which updates an industry standard already incorporated by reference into its regulations—is unlikely to elicit significant adverse comment. *See* 49 U.S.C. 60102(b)(6)(A). PHMSA similarly finds that publication of a proposed rulemaking on which comment is solicited would be “unnecessary” pursuant to section 553(b)(B) of the Administrative Procedure Act (5 U.S.C. 551 *et seq.*) because this rulemaking merely adopts an updated version of an industry standard reflecting a broad consensus among affected industry stakeholders.

B. Executive Order 12866

E.O. 12866, *Regulatory Planning and Review*, as implemented by DOT Order 2100.6B (“Policies and Procedures for Rulemaking”) and DOT Order 2100.7 (“Ensuring Reliance upon Sound Economic Analysis in Department of Transportation Policies, Programs, and Activities”), requires agencies to regulate in the “most cost-effective manner,” to make a “reasoned determination that the benefits of the intended regulation justify its costs,” and to develop regulations that “impose the least burden on society.” In arriving at those conclusions, E.O. 12866 requires that agencies should consider “both quantifiable measures . . . and qualitative measures of costs and benefits that are difficult to quantify” and “maximize net benefits . . . unless a statute requires another regulatory approach.” E.O. 12866 also requires that “agencies should assess all costs and benefits of available regulatory alternatives, including the alternative of not regulating.” DOT Order 2100.6B directs that PHMSA and other Operating Administrations must generally choose the “least costly regulatory alternative that achieves the relevant objectives” unless required by law or compelling safety need. DOT Order 2100.6B also specifies that regulations should generally “not be issued unless their benefits are expected to exceed their costs” except where required by law or compelling safety need. DOT Order 2100.7 requires that “all rulemaking activities shall be based on sound

economic principles and analysis supported by rigorous cost-benefit requirement.”

E.O. 12866 and DOT Order 2100.6B also require that PHMSA submit “significant regulatory actions” to the Office of Information and Regulatory Affairs (OIRA) within the Executive Office of the President’s Office of Management and Budget (OMB) for review. This final rule is a not significant regulatory action pursuant to E.O. 12866; OMB also has not designated this rule as a “major rule” as defined by the Congressional Review Act (5 U.S.C. 801 *et seq.*).

PHMSA has complied with the procedural and analytical requirements in E.O. 12866 as implemented by DOT Order 2100.6B and DOT Order 2100.7 and determined that this direct final rule may result in minimal cost savings by reducing regulatory burdens and regulatory uncertainty for pipeline facility operators. In general, updates to consensus industry standards are widely accepted and followed on a voluntary basis throughout most of the pipeline industry. PHMSA understands that most pipeline operators already purchase and voluntarily apply industry standards—including the updated standard that is the subject of this rulemaking—within their ordinary business practices. Incorporation of the updated version of the standard referenced in this direct final rule will help ensure that the industry is not forced to incur the additional cost of complying with different versions of the same standard. The cost savings of this rulemaking could not be quantified.

Updating to a more recent edition of the industry standard will ensure better alignment of PHMSA’s regulations with innovations in operational and maintenance practices, equipment design, and testing. These updates address known safety risks, encourage facilities to invest in safety enhancing innovations, and improve public safety.

C. Executive Orders 14192 and Executive Order 14219

This direct final rule is considered a deregulatory action pursuant to E.O. 14192, *Unleashing Prosperity Through Deregulation*. PHMSA estimates that the total costs of the direct final rule on the regulated community will be less than zero. Nor do the regulatory amendments herein implicate any of the factors identified in section 2(a) of E.O. 14219, *Ensuring Lawful Governance and Implementing the President’s “Department of Government Efficiency” Deregulatory Initiative*, indicative that a regulation is “unlawful . . . [or] that undermine[s] the national interest.”

D. Energy-Related Executive Orders 13211, 14154, and 14156

The President has declared in E.O. 14156, *Declaring a National Energy Emergency*, a National emergency to address inadequate U.S. energy development production, transportation, refining, and generation capacity. Similarly, E.O. 14154, *Unleashing American Energy*, asserts a Federal policy to unleash American energy by ensuing access to abundant supplies of reliable, affordable energy from (inter alia) the removal of “undue burden[s]” on the identification, development, or use of domestic energy resources such as PHMSA-jurisdictional gasses and hazardous liquids. PHMSA finds this direct final rule is consistent with each of E.O. 14156 and E.O. 14154. The direct final rule will give affected pipeline operators the benefit of using the updated standard to maintain or improve public safety, prevent regulatory confusion, and reduce compliance burdens on stakeholders. PHMSA therefore expects the regulatory amendments in this direct final rule will in turn increase national pipeline transportation capacity and improve pipeline operators’ ability to provide abundant, reliable, affordable natural gas in response to residential, commercial, and industrial demand.

However, this direct final rule is not a “significant energy action” under E.O. 13211, *Actions Concerning Regulations That Significantly Affect Energy Supply, Distribution, or Use*, which requires Federal agencies to prepare a Statement of Energy Effects for any “significant energy action.” Because this direct final rule is not a significant action under E.O. 12866, it will not have a significant adverse effect on supply, distribution, or energy use.

E. Executive Order 13132: Federalism

PHMSA analyzed this direct final rule in accordance with the principles and criteria contained in E.O. 13132, Federalism, and the Presidential Memorandum (“Preemption”) published in the **Federal Register** on May 22, 2009. E.O. 13132 requires agencies to assure meaningful and timely input by State and local officials in the development of regulatory policies that may have “substantial direct effects on the States, on the relationship between the National Government and the States, or on the distribution of power and responsibilities among the various levels of government.”

While the direct final rule may operate to preempt some State requirements, it will not impose any

regulation that has substantial direct effects on the States, the relationship between the National Government and the States, or the distribution of power and responsibilities among the various levels of government. Section 60104(c) of the Federal Pipeline Safety Laws prohibits certain State safety regulation of interstate pipelines. Under the Federal Pipeline Safety Laws, States that have submitted a current certification under section 60105(a) can augment Federal pipeline safety requirements for intrastate pipelines regulated by PHMSA but may not approve safety requirements less stringent than those required by Federal law. A State may also regulate an intrastate pipeline facility that PHMSA does not regulate. The preemptive effect of the regulatory amendments in this direct final rule is limited to the minimum level necessary to achieve the objectives of the Federal Pipeline Safety Laws. Therefore, the consultation and funding requirements of E.O. 13132 do not apply.

F. Regulatory Flexibility Act

The Regulatory Flexibility Act (RFA, 5 U.S.C. 601 *et seq.*) requires Federal agencies to conduct a Final Regulatory Flexibility Analysis (FRFA) for a final rule subject to notice-and-comment rulemaking, unless the agency certifies that the rule will not have a significant economic impact on a substantial number of small entities. The RFA applies only to rules for which an agency is required to first publish a proposed rule (*see* 5 U.S.C. 603(a) and 604(a)). PHMSA is not required to publish a notice of proposed rulemaking for this DFR, so the RFA does not apply. However, PHMSA expects no affected operators will face significant costs because the referenced standard is widely available for purchase at relatively low cost, most operators are already in compliance with the content of the referenced standard, and compliance costs for any remaining operators are expected to be negligible.

G. Unfunded Mandates Reform Act of 1995

The Unfunded Mandates Reform Act (UMRA, 2 U.S.C. 1501 *et seq.*) requires agencies to assess the effects of Federal regulatory actions on State, local, and Tribal governments, and the private sector. For any proposed or direct final rule that includes a Federal mandate that may result in the expenditure by State, local, and Tribal governments, in the aggregate of \$100 million or more in 1996 dollars (\$203 million in 2024 dollars) in any given year, the agency must prepare, amongst other things, a written statement that qualitatively and

quantitatively assesses the costs and benefits of the Federal mandate.

This direct final rule does not impose unfunded mandates under UMRA because it does not result in costs of \$100 million or more (in 1996 dollars) per year for either State, local, or Tribal governments, or to the private sector.

H. National Environmental Policy Act

PHMSA has analyzed this rule pursuant to the National Environmental Policy Act (NEPA, 42 U.S.C. 4321 *et seq.*) and has determined it is categorically excluded under 23 CFR 771.117(c)(20), which applies to the promulgation of rules, regulations, and directives. Under section 9 of DOT Order 5610.1D (“DOT’s Procedures for Considering Environmental Impacts”), PHMSA may apply a categorical exclusion established in another Operating Administration’s procedures. PHMSA followed the requirements outlined in DOT Order 5610.1D to apply a categorical exclusion issued by the Federal Highway Administration (FHWA) to this deregulatory action. PHMSA does not anticipate any adverse environmental impacts from this rule, and PHMSA has determined no unusual circumstances are present under 23 CFR 771.117(b). PHMSA’s Categorical Exclusion Determination memo for this action is available on PHMSA’s website.¹

I. Executive Order 13175

PHMSA analyzed this direct final rule according to the principles and criteria in E.O. 13175, *Consultation and Coordination with Indian Tribal Governments*, and DOT Order 5301.1A (“Department of Transportation Tribal Consultation Policies and Procedures”). E.O. 13175 requires agencies to assure meaningful and timely input from Tribal government representatives in the development of rules that significantly or uniquely affect Tribal communities by imposing “substantial direct compliance costs” or “substantial direct effects” on such communities or the relationship or distribution of power between the Federal Government and Tribes.

PHMSA assessed the impact of the direct final rule and determined that it will not significantly or uniquely affect Tribal communities or Indian Tribal governments. The rulemaking’s regulatory amendments have a broad, national scope; therefore, this direct final rule will not significantly or uniquely affect Tribal communities,

much less impose substantial compliance costs on Native American Tribal governments or mandate Tribal action. For these reasons, PHMSA has concluded that the funding and consultation requirements of E.O. 13175 and DOT Order 5301.1A do not apply.

J. Paperwork Reduction Act

The Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*) and its implementing regulations at 5 CFR 1320.8(d) requires that PHMSA provide interested members of the public and affected agencies with an opportunity to comment on information collection and recordkeeping requests. This rulemaking will not create, amend, or rescind any existing information collections.

K. Executive Order 13609 and International Trade Analysis

E.O. 13609, *Promoting International Regulatory Cooperation*, requires agencies to consider whether the impacts associated with significant variations between domestic and international regulatory approaches are unnecessary or may impair the ability of American business to export and compete internationally. In meeting shared challenges involving health, safety, labor, security, environmental, and other issues, international regulatory cooperation can identify approaches that are at least as protective as those that are or would be adopted in the absence of such cooperation. International regulatory cooperation can also reduce, eliminate, or prevent unnecessary differences in regulatory requirements.

Similarly, the Trade Agreements Act of 1979 (Pub. L. 96–39), as amended by the Uruguay Round Agreements Act (Pub. L. 103–465), prohibits Federal agencies from establishing any standards or engaging in related activities that create unnecessary obstacles to the foreign commerce of the United States. For purposes of these requirements, Federal agencies may participate in the establishment of international standards, so long as the standards have a legitimate domestic objective, such as providing for safety, and do not operate to exclude imports that meet this objective. The statute also requires consideration of international standards and, where appropriate, that they be the basis for U.S. standards.

PHMSA engages with international standards setting bodies to protect the safety of the American public. PHMSA has assessed the effects of the direct final rule and has determined that its regulatory amendments will not cause unnecessary obstacles to foreign trade.

L. Cybersecurity and Executive Order 14028

E.O. 14028, *Improving the Nation’s Cybersecurity*, directed the Federal Government to improve its efforts to identify, deter, and respond to “persistent and increasingly sophisticated malicious cyber campaigns.” PHMSA has considered the effects of the direct final rule and has determined that its regulatory amendments will not materially affect the cybersecurity risk profile for pipeline facilities.

List of Subjects

49 CFR Part 192

Incorporation by reference, Natural gas, Pipeline safety.

49 CFR Part 195

Anhydrous ammonia, Carbon dioxide, Incorporation by reference, Petroleum, Pipeline safety.

For the reasons set forth above, PHMSA amends 49 CFR parts 192 and 195 as follows:

PART 192—TRANSPORTATION OF NATURAL AND OTHER GAS BY PIPELINE: MINIMUM FEDERAL SAFETY STANDARDS

■ 1. The authority citation for part 192 continues to read as follows:

Authority: 30 U.S.C. 185(w)(3), 49 U.S.C. 5103, 60101 *et seq.*, and 49 CFR 1.97.

■ 2. In § 192.7, revise paragraph (e)(1) to read as follows:

§ 192.7 What documents are incorporated by reference partly or wholly in this part?

* * * * *

(e) * * *
(1) NACE SP0502–2025, Pipeline External Corrosion Direct Assessment Methodology, revised April 28, 2025, (NACE SP0502); IBR approved for §§ 192.319(f); 192.461(h); 192.620(d); 192.923(b); 192.925(b); 192.931(d); 192.935(b); 192.939(a).

* * * * *

PART 195—TRANSPORTATION OF HAZARDOUS LIQUIDS BY PIPELINE

■ 3. The authority citation for part 195 continues to read as follows:

Authority: 30 U.S.C. 185(w)(3), 49 U.S.C. 5103, 60101 *et seq.*, and 49 CFR 1.97.

■ 4. In § 195.3, revise paragraph (e)(4) to read as follows:

§ 195.3 What documents are incorporated by reference partly or wholly in this part?

* * * * *

(e) * * *
(4) NACE SP0502–2025, Pipeline External Corrosion Direct Assessment

¹ DOT, *Implementing Procedures*, <https://www.phmsa.dot.gov/planning-and-analytics/environmental-analysis-and-compliance/implementing-procedures>.

Methodology, revised April 28, 2025, (NACE SP0502); IBR approved for § 195.588(b).

* * * * *

Issued in Washington, DC, on April 22, 2026, under the authority delegated in 49 CFR 1.97.

Paul J. Roberti,
Administrator.

[FR Doc. 2026-08051 Filed 4-23-26; 8:45 am]

BILLING CODE 4910-60-P

DEPARTMENT OF TRANSPORTATION

Pipeline and Hazardous Materials Safety Administration

49 CFR Parts 192 and 195

[Docket No. PHMSA-2026-1525; Amdt. Nos. 192-161 and 195-120]

RIN 2137-AG29

Pipeline Safety: Standards Update— ASTM A333/A333M

AGENCY: Pipeline and Hazardous Materials Safety Administration (PHMSA), Department of Transportation (DOT).

ACTION: Direct final rule (DFR); request for comments.

SUMMARY: This DFR amends PHMSA's regulations to incorporate by reference an updated edition of industry standard ASTM A333/A333M, Standard Specification for Seamless and Welded Steel Pipe for Low-Temperature Service and Other Applications with Required Notch Toughness. This updated standard will maintain or improve public safety, prevent regulatory confusion, reduce compliance burdens on stakeholders, and satisfy a mandate in the National Technology Transfer and Advancement Act (NTTAA) of 1995.

DATES: The DFR is effective January 1, 2027, unless adverse comments are received by June 23, 2026. If adverse comments are received, notification will be published in the **Federal Register** before the effective date withdrawing the rule and publishing a notice of proposed rulemaking to provide an additional opportunity for public comment. Compliance after June 23, 2026 is authorized. The incorporation by reference of certain material listed in this rule is approved by the Director of the **Federal Register** as of January 1, 2027.

ADDRESSES: You may submit comments identified by the Docket Number PHMSA-2026-1525 using any of the following methods:

E-Gov Web: <https://www.regulations.gov>. This site allows

the public to enter comments on any **Federal Register** notice issued by any agency. Follow the online instructions for submitting comments.

Mail: Docket Management System: U.S. Department of Transportation, 1200 New Jersey Avenue SE, West Building Ground Floor, Room W12-140, Washington, DC 20590-0001.

Alternatively, hand delivery is available to this address between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

Fax: 1-202-493-2251.

For commenting instructions and additional information about commenting, see **SUPPLEMENTARY INFORMATION**.

FOR FURTHER INFORMATION CONTACT:

Brianna Wilson, Transportation Specialist, 1200 New Jersey Avenue SE, Washington, DC 20590, by phone at 771-215-0969 or email at brianna.wilson@dot.gov.

SUPPLEMENTARY INFORMATION:

I. General Discussion

Through this DFR, PHMSA is incorporating by reference an update to a voluntary, consensus industry technical standard already incorporated by reference within 49 CFR parts 192 and 195. Specifically, PHMSA is updating the referenced edition of industry standard ASTM A333/A333M, Standard Specification for Seamless and Welded Steel Pipe for Low-Temperature Service and Other Applications with Required Notch Toughness, to the 2024 edition (ASTM A333/A333M).

ASTM A333/A333M covers wall seamless and welded carbon and alloy steel pipe intended for use at low temperatures. It also specifies requirements for tensile tests, impact tests, hydrostatic tests, and nondestructive electric tests.

References to the 2024 edition of this standard will replace the existing references in § 192.113; Appendix B to part 192; and § 195.106(e) to ASTM A333/A333M-18, Standard Specification for Seamless and Welded Steel Pipe for Low-Temperature Service and Other Applications with Required Notch Toughness, approved November 1, 2018.

This updated standard will maintain or improve public safety, prevent regulatory confusion, and reduce compliance burdens on stakeholders. The National Technology Transfer and Advancement Act (NTTAA) of 1995 (15 U.S.C. 272 (note)) directs Federal agencies to, “when practical and consistent with applicable laws, use technical standards developed by voluntary consensus standard bodies

instead of government-developed technical standards.” Consistent with that mandate, PHMSA incorporates more than 80 industry standards by reference into the Federal Pipeline Safety Regulations (49 CFR parts 190–199); however, many standards become outdated over time as new editions become available. 49 U.S.C. 60102(l) directs PHMSA to update incorporated industry standards.

Updating this standard ensures better alignment of PHMSA's regulations with innovations in operational and management practices, materials, testing, and technological advancements; enhances compliance by avoiding conflict between different versions of the same industry standards; and facilitates safety-focused allocation of resources by pipeline operators. PHMSA technical experts have evaluated the changes in the updated edition of ASTM A333/A333M and concluded it will either maintain or enhance the protection of public safety. These updates effectively mitigate safety gaps by incorporating innovations in equipment design, operational and maintenance practices, and testing, while addressing latent vulnerabilities that were historically unidentifiable due to the technical limitations of legacy data-gathering and monitoring capabilities. PHMSA further concludes that the direct final rule's updated standard is technically feasible, reasonable, cost-effective, and practicable because of its respective anticipated commercial and public safety benefits; and because the benefits better support PHMSA's safety priorities compared to alternatives, thereby justifying any associated compliance costs.

Availability of Materials to Interested Parties

Pursuant to section 24 of the Pipeline Safety, Regulatory Certainty, and Job Creation Act of 2011 (Pub. L. 112-90, codified at 49 U.S.C. 60102(p)), “the Secretary may not issue a regulation pursuant to this chapter that incorporates any documents or portions thereof unless the documents or portions thereof are made available to the public, free of charge.” The standard incorporated in this direct final rule is available from the following website: <https://www.astm.org/standards-and-solutions/standards-and-publications/reading-room>. The material can also be obtained by interested parties through the applicable publisher contact information listed in §§ 192.7 and 195.3. Additional information regarding standards availability can be found at <https://www.phmsa.dot.gov/standards->

rulemaking/pipeline/standards-incorporated-reference.

Commenting Instructions: Please include the docket number PHMSA–2026–1525 at the beginning of your comments. If you submit your comments by mail, submit two copies. If you wish to receive confirmation that PHMSA received your comments, include a self-addressed stamped postcard. Internet users may submit comments at <https://www.regulations.gov>.

Note: Comments are posted without changes or edits to <https://www.regulations.gov>, including any personal information provided. There is a privacy statement published on <https://www.regulations.gov>.

Privacy Act: In accordance with 5 U.S.C. 553(c), DOT solicits comments from the public to inform its rulemaking process. DOT posts these comments, without edit, including any personal information the commenter provides, to our docket at <https://www.regulations.gov>. You may review DOT's complete Privacy Act Statement by visiting <https://www.dot.gov/privacy>.

Confidential Business Information: Confidential Business Information (CBI) is commercial or financial information that is both customarily and actually treated as private by its owner. Under the Freedom of Information Act (FOIA, 5 U.S.C. 552), CBI is exempt from public disclosure. It is important that you clearly designate the comments submitted as CBI if: your comments responsive to this document contain commercial or financial information that is customarily treated as private; you actually treat such information as private; and your comment is relevant or responsive to this notice. Pursuant to 49 CFR 190.343, you may ask PHMSA to provide confidential treatment to information you give to the agency by taking the following steps: (1) mark each page of the original document submission containing CBI as "Confidential;" (2) send PHMSA, along with the original document, a second copy of the original document with the CBI deleted; and (3) explain why the information that you are submitting is CBI. Submissions containing CBI should be sent to Brianna Wilson, Standards and Rulemaking Division, Pipeline and Hazardous Materials Safety Administration (PHMSA), 2nd Floor, 1200 New Jersey Avenue SE, Washington, DC 20590–0001, or by email at brianna.wilson@dot.gov. Any materials PHMSA receives that is not specifically designated as CBI will be placed in the public docket.

Docket: For access to the docket to read background documents or

comments received, go to <http://www.regulations.gov>. Follow the online instructions for accessing the docket. Alternatively, you may review the documents in person at the street address listed above.

II. Regulatory Analysis and Notices

A. Legal Authority

This direct final rule is published under the authority of the Secretary of Transportation set forth in the Federal Pipeline Safety Laws (49 U.S.C. 60101 *et seq.*) and delegated to the PHMSA Administrator pursuant to 49 CFR 1.97. PHMSA has determined that this direct final rule—which updates an industry standard already incorporated by reference into its regulations—is unlikely to elicit significant adverse comment. *See* 49 U.S.C. 60102(b)(6)(A). PHMSA similarly finds that publication of a proposed rulemaking on which comment is solicited would be "unnecessary" pursuant to section 553(b)(B) of the Administrative Procedure Act (5 U.S.C. 551 *et seq.*) because this rulemaking merely adopts an updated version of an industry standard reflecting a broad consensus among affected industry stakeholders.

B. Executive Order 12866

E.O. 12866, *Regulatory Planning and Review*, as implemented by DOT Order 2100.6B ("Policies and Procedures for Rulemaking") and DOT Order 2100.7 ("Ensuring Reliance upon Sound Economic Analysis in Department of Transportation Policies, Programs, and Activities"), requires agencies to regulate in the "most cost-effective manner," to make a "reasoned determination that the benefits of the intended regulation justify its costs," and to develop regulations that "impose the least burden on society." In arriving at those conclusions, E.O. 12866 requires that agencies should consider "both quantifiable measures . . . and qualitative measures of costs and benefits that are difficult to quantify" and "maximize net benefits . . . unless a statute requires another regulatory approach." E.O. 12866 also requires that "agencies should assess all costs and benefits of available regulatory alternatives, including the alternative of not regulating." DOT Order 2100.6B directs that PHMSA and other Operating Administrations must generally choose the "least costly regulatory alternative that achieves the relevant objectives" unless required by law or compelling safety need. DOT Order 2100.6B also specifies that regulations should generally "not be issued unless their benefits are expected to exceed their

costs" except where required by law or compelling safety need. DOT Order 2100.7 requires that "all rulemaking activities shall be based on sound economic principles and analysis supported by rigorous cost-benefit requirement."

E.O. 12866 and DOT Order 2100.6B also require that PHMSA submit "significant regulatory actions" to the Office of Information and Regulatory Affairs (OIRA) within the Executive Office of the President's Office of Management and Budget (OMB) for review. This final rule is a not significant regulatory action pursuant to E.O. 12866; OMB also has not designated this rule as a "major rule" as defined by the Congressional Review Act (5 U.S.C. 801 *et seq.*).

PHMSA has complied with the procedural and analytical requirements in E.O. 12866 as implemented by DOT Order 2100.6B and DOT Order 2100.7 and determined that this direct final rule may result in minimal cost savings by reducing regulatory burdens and regulatory uncertainty for pipeline facility operators. In general, updates to consensus industry standards are widely accepted and followed on a voluntary basis throughout most of the pipeline industry. PHMSA understands that most pipeline operators already purchase and voluntarily apply industry standards—including the updated standard that is the subject of this rulemaking—within their ordinary business practices. Incorporation of the updated version of the standard referenced in this direct final rule will help ensure that the industry is not forced to incur the additional cost of complying with different versions of the same standard. The cost savings of this rulemaking could not be quantified.

Updating to a more recent edition of the industry standard will ensure better alignment of PHMSA's regulations with innovations in operational and maintenance practices, equipment design, and testing. These updates address known safety risks, encourage facilities to invest in safety enhancing innovations, and improve public safety.

C. Executive Orders 14192 and Executive Order 14219

This direct final rule is considered a deregulatory action pursuant to E.O. 14192, *Unleashing Prosperity Through Deregulation*. PHMSA estimates that the total costs of the direct final rule on the regulated community will be less than zero. Nor do the regulatory amendments herein implicate any of the factors identified in section 2(a) of E.O. 14219, *Ensuring Lawful Governance and Implementing the President's*

“Department of Government Efficiency” Deregulatory Initiative, indicative that a regulation is “unlawful . . . [or] that undermine[s] the national interest.”

D. Energy-Related Executive Orders 13211, 14154, and 14156

The President has declared in E.O. 14156, *Declaring a National Energy Emergency*, a National emergency to address inadequate U.S. energy development production, transportation, refining, and generation capacity. Similarly, E.O. 14154, *Unleashing American Energy*, asserts a Federal policy to unleash American energy by ensuring access to abundant supplies of reliable, affordable energy from (inter alia) the removal of “undue burden[s]” on the identification, development, or use of domestic energy resources such as PHMSA-jurisdictional gasses and hazardous liquids. PHMSA finds this direct final rule is consistent with each of E.O. 14156 and E.O. 14154. The direct final rule will give affected pipeline operators the benefit of using the updated standard to maintain or improve public safety, prevent regulatory confusion, and reduce compliance burdens on stakeholders. PHMSA therefore expects the regulatory amendment in this direct final rule will in turn increase national pipeline transportation capacity and improve pipeline operators’ ability to provide abundant, reliable, affordable natural gas in response to residential, commercial, and industrial demand.

However, this direct final rule is not a “significant energy action” under E.O. 13211, *Actions Concerning Regulations That Significantly Affect Energy Supply, Distribution, or Use*, which requires Federal agencies to prepare a Statement of Energy Effects for any “significant energy action.” Because this direct final rule is not a significant action under E.O. 12866, it will not have a significant adverse effect on supply, distribution, or energy use.

E. Executive Order 13132: Federalism

PHMSA analyzed this direct final rule in accordance with the principles and criteria contained in E.O. 13132, Federalism, and the Presidential Memorandum (“Preemption”) published in the **Federal Register** on May 22, 2009. E.O. 13132 requires agencies to assure meaningful and timely input by State and local officials in the development of regulatory policies that may have “substantial direct effects on the States, on the relationship between the National Government and the States, or on the distribution of power and

responsibilities among the various levels of government.”

While the direct final rule may operate to preempt some State requirements, it will not impose any regulation that has substantial direct effects on the States, the relationship between the National Government and the States, or the distribution of power and responsibilities among the various levels of government. Section 60104(c) of the Federal Pipeline Safety Laws prohibits certain State safety regulation of interstate pipelines. Under the Federal Pipeline Safety Laws, States that have submitted a current certification under section 60105(a) can augment Federal pipeline safety requirements for intrastate pipelines regulated by PHMSA but may not approve safety requirements less stringent than those required by Federal law. A State may also regulate an intrastate pipeline facility that PHMSA does not regulate. The preemptive effect of the regulatory amendments in this direct final rule is limited to the minimum level necessary to achieve the objectives of the Federal Pipeline Safety Laws. Therefore, the consultation and funding requirements of E.O. 13132 do not apply.

F. Regulatory Flexibility Act

The Regulatory Flexibility Act (RFA, 5 U.S.C. 601 *et seq.*) requires Federal agencies to conduct a Final Regulatory Flexibility Analysis (FRFA) for a final rule subject to notice-and-comment rulemaking, unless the agency certifies that the rule will not have a significant economic impact on a substantial number of small entities. The RFA applies only to rules for which an agency is required to first publish a proposed rule (see 5 U.S.C. 603(a) and 604(a)). PHMSA is not required to publish a notice of proposed rulemaking for this DFR, so the RFA does not apply. However, PHMSA expects no affected operators will face significant costs because the referenced standard is widely available for purchase at relatively low cost, most operators are already in compliance with the content of the referenced standard, and compliance costs for any remaining operators are expected to be negligible.

G. Unfunded Mandates Reform Act of 1995

The Unfunded Mandates Reform Act (UMRA, 2 U.S.C. 1501 *et seq.*) requires agencies to assess the effects of Federal regulatory actions on State, local, and Tribal governments, and the private sector. For any proposed or direct final rule that includes a Federal mandate that may result in the expenditure by State, local, and Tribal governments, in

the aggregate of \$100 million or more in 1996 dollars (\$203 million in 2024 dollars) in any given year, the agency must prepare, amongst other things, a written statement that qualitatively and quantitatively assesses the costs and benefits of the Federal mandate.

This direct final rule does not impose unfunded mandates under UMRA because it does not result in costs of \$100 million or more (in 1996 dollars) per year for either State, local, or Tribal governments, or to the private sector.

H. National Environmental Policy Act

PHMSA has analyzed this rule pursuant to the National Environmental Policy Act (NEPA, 42 U.S.C. 4321 *et seq.*) and has determined it is categorically excluded under 23 CFR 771.117(c)(20), which applies to the promulgation of rules, regulations, and directives. Under section 9 of DOT Order 5610.1D (“DOT’s Procedures for Considering Environmental Impacts”), PHMSA may apply a categorical exclusion established in another Operating Administration’s procedures. PHMSA followed the requirements outlined in DOT Order 5610.1D to apply a categorical exclusion issued by the Federal Highway Administration (FHWA) to this deregulatory action. PHMSA does not anticipate any adverse environmental impacts from this rule, and PHMSA has determined no unusual circumstances are present under 23 CFR 771.117(b). PHMSA’s Categorical Exclusion Determination memo for this action is available on PHMSA’s website.¹

I. Executive Order 13175

PHMSA analyzed this direct final rule according to the principles and criteria in E.O. 13175, *Consultation and Coordination with Indian Tribal Governments*, and DOT Order 5301.1A (“Department of Transportation Tribal Consultation Policies and Procedures”). E.O. 13175 requires agencies to assure meaningful and timely input from Tribal government representatives in the development of rules that significantly or uniquely affect Tribal communities by imposing “substantial direct compliance costs” or “substantial direct effects” on such communities or the relationship or distribution of power between the Federal Government and Tribes.

PHMSA assessed the impact of the direct final rule and determined that it will not significantly or uniquely affect Tribal communities or Indian Tribal

¹ DOT, Implementing Procedures, <https://www.phmsa.dot.gov/planning-and-analytics/environmental-analysis-and-compliance/implementing-procedures>.

governments. The rulemaking's regulatory amendments have a broad, national scope; therefore, this direct final rule will not significantly or uniquely affect Tribal communities, much less impose substantial compliance costs on Native American Tribal governments or mandate Tribal action. For these reasons, PHMSA has concluded that the funding and consultation requirements of E.O. 13175 and DOT Order 5301.1A do not apply.

J. Paperwork Reduction Act

The Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*) and its implementing regulations at 5 CFR 1320.8(d) requires that PHMSA provide interested members of the public and affected agencies with an opportunity to comment on information collection and recordkeeping requests. This rulemaking will not create, amend, or rescind any existing information collections.

K. Executive Order 13609 and International Trade Analysis

E.O. 13609, *Promoting International Regulatory Cooperation*, requires agencies to consider whether the impacts associated with significant variations between domestic and international regulatory approaches are unnecessary or may impair the ability of American business to export and compete internationally. In meeting shared challenges involving health, safety, labor, security, environmental, and other issues, international regulatory cooperation can identify approaches that are at least as protective as those that are or would be adopted in the absence of such cooperation. International regulatory cooperation can also reduce, eliminate, or prevent unnecessary differences in regulatory requirements.

Similarly, the Trade Agreements Act of 1979 (Pub. L. 96–39), as amended by the Uruguay Round Agreements Act (Pub. L. 103–465), prohibits Federal agencies from establishing any standards or engaging in related activities that create unnecessary obstacles to the foreign commerce of the United States. For purposes of these requirements, Federal agencies may participate in the establishment of international standards, so long as the standards have a legitimate domestic objective, such as providing for safety, and do not operate to exclude imports that meet this objective. The statute also requires consideration of international standards and, where appropriate, that they be the basis for U.S. standards.

PHMSA engages with international standards setting bodies to protect the

safety of the American public. PHMSA has assessed the effects of the direct final rule and has determined that its regulatory amendments will not cause unnecessary obstacles to foreign trade.

L. Cybersecurity and Executive Order 14028

E.O. 14028, *Improving the Nation's Cybersecurity*, directed the Federal Government to improve its efforts to identify, deter, and respond to “persistent and increasingly sophisticated malicious cyber campaigns.” PHMSA has considered the effects of the direct final rule and has determined that its regulatory amendments will not materially affect the cybersecurity risk profile for pipeline facilities.

List of Subjects

49 CFR Part 192

Incorporation by reference, Natural gas, Pipeline safety.

49 CFR Part 195

Anhydrous ammonia, Carbon dioxide, Incorporation by reference, Petroleum, Pipeline safety.

For the reasons set forth above, PHMSA amends 49 CFR parts 192 and 195 as follows:

PART 192—TRANSPORTATION OF NATURAL AND OTHER GAS BY PIPELINE: MINIMUM FEDERAL SAFETY STANDARDS

■ 1. The authority citation for part 192 continues to read as follows:

Authority: 30 U.S.C. 185(w)(3), 49 U.S.C. 5103, 60101 *et seq.*, and 49 CFR 1.97.

■ 2. In § 192.7, revise paragraph (f)(3) to read as follows:

§ 192.7 What documents are incorporated by reference partly or wholly in this part?

* * * * *

(f) * * *

(3) ASTM A333/A333M–24, Standard Specification for Seamless and Welded Steel Pipe for Low-Temperature Service and Other Applications with Required Notch Toughness, approved April 1, 2024, (ASTM A333/A333M); IBR approved for § 192.113(a); Appendix B to part 192.

* * * * *

PART 195—TRANSPORTATION OF HAZARDOUS LIQUIDS BY PIPELINE

■ 3. The authority citation for part 195 continues to read as follows:

Authority: 30 U.S.C. 185(w)(3), 49 U.S.C. 5103, 60101 *et seq.*, and 49 CFR 1.97.

■ 4. In § 195.3, revise paragraph (f)(3) to read as follows:

§ 195.3 What documents are incorporated by reference partly or wholly in this part?

* * * * *

(f) * * *

(3) ASTM A333/A333M–24, Standard Specification for Seamless and Welded Steel Pipe for Low-Temperature Service and Other Applications with Required Notch Toughness, approved April 1, 2024, (ASTM A333/A333M); IBR approved for § 195.106(e).

* * * * *

Issued in Washington, DC, on April 22, 2026, under the authority delegated in 49 CFR 1.97.

Paul J. Roberti,
Administrator.

[FR Doc. 2026–08044 Filed 4–23–26; 8:45 am]

BILLING CODE 4910–60–P

DEPARTMENT OF TRANSPORTATION

Pipeline and Hazardous Materials Safety Administration

49 CFR Parts 192 and 195

[Docket No. PHMSA–2026–1523; Amdt. Nos. 192–159 and 195–119]

RIN 2137–AG27

Pipeline Safety: Standards Update—ASTM A53/A53M

AGENCY: Pipeline and Hazardous Materials Safety Administration (PHMSA), Department of Transportation (DOT).

ACTION: Direct final rule (DFR); request for comments.

SUMMARY: This DFR amends PHMSA's regulations to incorporate by reference an updated edition of industry standard ASTM A53/A53M, Standard Specification for Pipe, Steel, Black and Hot-Dipped, Zinc-Coated, Welded and Seamless. This updated standard will maintain or improve public safety, prevent regulatory confusion, reduce compliance burdens on stakeholders, and satisfy a mandate in the National Technology Transfer and Advancement Act (NTTAA) of 1995.

DATES: The DFR is effective January 1, 2027, unless adverse comments are received by June 23, 2026. If adverse comments are received, notification will be published in the **Federal Register** before the effective date withdrawing the rule and publishing a notice of proposed rulemaking to provide an additional opportunity for public comment. Compliance after June 23, 2026 is authorized. The incorporation

by reference of certain material listed in this rule is approved by the Director of the Federal Register as of January 1, 2027.

ADDRESSES: You may submit comments identified by the Docket Number PHMSA–2026–1523 using any of the following methods:

E-Gov Web: [https://](https://www.regulations.gov)

www.regulations.gov. This site allows the public to enter comments on any Federal Register notice issued by any agency. Follow the online instructions for submitting comments.

Mail: Docket Management System: U.S. Department of Transportation, 1200 New Jersey Avenue SE, West Building Ground Floor, Room W12–140, Washington, DC 20590–0001.

Alternatively, hand delivery is available to this address between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

Fax: 1–202–493–2251.

For commenting instructions and additional information about commenting, see **SUPPLEMENTARY INFORMATION**.

FOR FURTHER INFORMATION CONTACT: Brianna Wilson, Transportation Specialist, 1200 New Jersey Avenue SE, Washington, DC 20590, by phone at 771–215–0969 or email at brianna.wilson@dot.gov.

SUPPLEMENTARY INFORMATION:

I. General Discussion

Through this DFR, PHMSA is incorporating by reference an update to a voluntary, consensus industry technical standard already incorporated by reference within the Federal Pipeline Safety Regulations, 49 CFR parts 192 and 195. Specifically, PHMSA is updating the referenced edition of industry standard ASTM A53/A53M, Standard Specification for Pipe, Steel, Black and Hot-Dipped, Zinc-Coated, Welded and Seamless, to the 2024 edition (ASTM A53/A53M).

ASTM A53/A53M covers seamless and welded black and hot-dipped galvanized steel pipe in NPS ½ to NPS 26. The steel categorized in this standard must be open-hearth, basic-oxygen or electric-furnace processed and must have the following chemical requirements: carbon, manganese, phosphorus, sulfur, copper, nickel, chromium, molybdenum, and vanadium.

References to the 2024 edition of this standard will replace the existing references in § 192.113, Appendix B to part 192, and § 195.106(e) to ASTM A53/A53M–22, Standard Specification for Pipe, Steel, Black and Hot-Dipped, Zinc-Coated, Welded and Seamless,

approved July 1, 2022.¹ While in July 2025, PHMSA updated this standard to the 2022 edition, further technical review supports further updating of the standard to the 2024 edition.

This updated standard will maintain or improve public safety, prevent regulatory confusion, and reduce compliance burdens on stakeholders. The National Technology Transfer and Advancement Act (NTTAA) of 1995 (15 U.S.C. 272 (note)) directs Federal agencies to, “when practical and consistent with applicable laws, use technical standards developed by voluntary consensus standard bodies instead of government-developed technical standards.” Consistent with that mandate, PHMSA incorporates more than 80 industry standards by reference into the Federal Pipeline Safety Regulations (49 CFR parts 190–199); however, many standards become outdated over time as new editions become available. 49 U.S.C. 60102(l) directs PHMSA to update incorporated industry standards.

Updating this standard ensures better alignment of PHMSA’s regulations with innovations in operational and management practices, materials, testing, and technological advancements; enhances compliance by avoiding conflict between different versions of the same industry standards; and facilitates safety-focused allocation of resources by pipeline operators. PHMSA technical experts have evaluated the changes in the updated edition of ASTM A53/A53M and concluded it will either maintain or enhance the protection of public safety. These updates effectively mitigate safety gaps by incorporating innovations in equipment design, operational and maintenance practices, and testing, while addressing latent vulnerabilities that were historically unidentifiable due to the technical limitations of legacy data-gathering and monitoring capabilities. Indeed, PHMSA on July 1, 2025, published a direct final rule updating the reference within parts 192 and 195 to the 2022 edition of this standard after preliminarily finding the revisions in that edition enhanced pipeline safety (90 FR 28108); PHMSA’s evaluation of the handful of changes introduced in the standard since 2022 yield a similar conclusion regarding their safety impact. PHMSA further concludes that the direct final rule’s updated standard is technically feasible, reasonable, cost-effective, and

practicable because of its respective anticipated commercial and public safety benefits; and because the benefits better support PHMSA’s safety priorities compared to alternatives, thereby justifying any associated compliance costs.

Availability of Materials to Interested Parties

Pursuant to section 24 of the Pipeline Safety, Regulatory Certainty, and Job Creation Act of 2011 (Pub. L. 112–90, codified at 49 U.S.C. 60102(p)), “the Secretary may not issue a regulation pursuant to this chapter that incorporates any documents or portions thereof unless the documents or portions thereof are made available to the public, free of charge.” The standard incorporated in this direct final rule is available from the following website: <https://www.astm.org/standards-and-solutions/standards-and-publications/reading-room>. The material can also be obtained by interested parties through the applicable publisher contact information listed in §§ 192.7 and 195.3. Additional information regarding standards availability can be found at <https://www.phmsa.dot.gov/standards-rulemaking/pipeline/standards-incorporated-reference>.

Commenting Instructions: Please include the docket number PHMSA–2026–1523 at the beginning of your comments. If you submit your comments by mail, submit two copies. If you wish to receive confirmation that PHMSA received your comments, include a self-addressed stamped postcard. Internet users may submit comments at <https://www.regulations.gov>.

Note: Comments are posted without changes or edits to <https://www.regulations.gov>, including any personal information provided. There is a privacy statement published on <https://www.regulations.gov>.

Privacy Act: In accordance with 5 U.S.C. 553(c), DOT solicits comments from the public to inform its rulemaking process. DOT posts these comments, without edit, including any personal information the commenter provides, to our docket at <https://www.regulations.gov>. You may review DOT’s complete Privacy Act Statement by visiting <https://www.dot.gov/privacy>.

Confidential Business Information: Confidential Business Information (CBI) is commercial or financial information that is both customarily and actually treated as private by its owner. Under the Freedom of Information Act (FOIA, 5 U.S.C. 552), CBI is exempt from public disclosure. It is important that you clearly designate the comments

¹ “Periodic Safety: Standards Update—ASTM A53/A53M,” 90 FR 28108, (July 1, 2025) (effective Jan. 1, 2026). The current direct final rule reflects the list of references as they will exist after this effective date.

submitted as CBI if: your comments responsive to this document contain commercial or financial information that is customarily treated as private; you actually treat such information as private; and your comment is relevant or responsive to this notice. Pursuant to 49 CFR 190.343, you may ask PHMSA to provide confidential treatment to information you give to the agency by taking the following steps: (1) mark each page of the original document submission containing CBI as “Confidential;” (2) send PHMSA, along with the original document, a second copy of the original document with the CBI deleted; and (3) explain why the information that you are submitting is CBI. Submissions containing CBI should be sent to Brianna Wilson, Standards and Rulemaking Division, Pipeline and Hazardous Materials Safety Administration (PHMSA), 2nd Floor, 1200 New Jersey Avenue SE, Washington, DC 20590-0001, or by email at brianna.wilson@dot.gov. Any materials PHMSA receives that is not specifically designated as CBI will be placed in the public docket.

Docket: For access to the docket to read background documents or comments received, go to <http://www.regulations.gov>. Follow the online instructions for accessing the docket. Alternatively, you may review the documents in person at the street address listed above.

II. Regulatory Analysis and Notices

A. Legal Authority

This direct final rule is published under the authority of the Secretary of Transportation set forth in the Federal Pipeline Safety Laws (49 U.S.C. 60101 *et seq.*) and delegated to the PHMSA Administrator pursuant to 49 CFR 1.97. PHMSA has determined that this direct final rule—which updates an industry standard already incorporated by reference into its regulations—is unlikely to elicit significant adverse comment. See 49 U.S.C. 60102(b)(6)(A). PHMSA similarly finds that publication of a proposed rulemaking on which comment is solicited would be “unnecessary” pursuant to section 553(b)(B) of the Administrative Procedure Act (5 U.S.C. 551 *et seq.*) because this rulemaking merely adopts an updated version of an industry standard reflecting a broad consensus among affected industry stakeholders.

B. Executive Order 12866

E.O. 12866, *Regulatory Planning and Review*, as implemented by DOT Order 2100.6B (“Policies and Procedures for Rulemaking”) and DOT Order 2100.7

(“Ensuring Reliance upon Sound Economic Analysis in Department of Transportation Policies, Programs, and Activities”), requires agencies to regulate in the “most cost-effective manner,” to make a “reasoned determination that the benefits of the intended regulation justify its costs,” and to develop regulations that “impose the least burden on society.” In arriving at those conclusions, E.O. 12866 requires that agencies should consider “both quantifiable measures . . . and qualitative measures of costs and benefits that are difficult to quantify” and “maximize net benefits . . . unless a statute requires another regulatory approach.” E.O. 12866 also requires that “agencies should assess all costs and benefits of available regulatory alternatives, including the alternative of not regulating.” DOT Order 2100.6B directs that PHMSA and other Operating Administrations must generally choose the “least costly regulatory alternative that achieves the relevant objectives” unless required by law or compelling safety need. DOT Order 2100.6B also specifies that regulations should generally “not be issued unless their benefits are expected to exceed their costs” except where required by law or compelling safety need. DOT Order 2100.7 requires that “all rulemaking activities shall be based on sound economic principles and analysis supported by rigorous cost-benefit requirement.”

E.O. 12866 and DOT Order 2100.6B also require that PHMSA submit “significant regulatory actions” to the Office of Information and Regulatory Affairs (OIRA) within the Executive Office of the President’s Office of Management and Budget (OMB) for review. This final rule is a not significant regulatory action pursuant to E.O. 12866; OMB also has not designated this rule as a “major rule” as defined by the Congressional Review Act (5 U.S.C. 801 *et seq.*).

PHMSA has complied with the procedural and analytical requirements in E.O. 12866 as implemented by DOT Order 2100.6B and DOT Order 2100.7 and determined that this direct final rule may result in minimal cost savings by reducing regulatory burdens and regulatory uncertainty for pipeline facility operators. In general, updates to consensus industry standards are widely accepted and followed on a voluntary basis throughout most of the pipeline industry. PHMSA understands that most pipeline operators already purchase and voluntarily apply industry standards—including the updated standard that is the subject of this rulemaking—within their ordinary

business practices. Incorporation of the updated version of the standard referenced in this direct final rule will help ensure that the industry is not forced to incur the additional cost of complying with different versions of the same standard. The cost savings of this rulemaking could not be quantified.

Updating to a more recent edition of the industry standard will ensure better alignment of PHMSA’s regulations with innovations in operational and maintenance practices, equipment design, and testing. These updates address known safety risks, encourage facilities to invest in safety enhancing innovations, and improve public safety.

C. Executive Orders 14192 and Executive Order 14219

This direct final rule is considered a deregulatory action pursuant to E.O. 14192, *Unleashing Prosperity Through Deregulation*. PHMSA estimates that the total costs of the direct final rule on the regulated community will be less than zero. Nor do the regulatory amendments herein implicate any of the factors identified in section 2(a) of E.O. 14219, *Ensuring Lawful Governance and Implementing the President’s “Department of Government Efficiency” Deregulatory Initiative*, indicative that a regulation is “unlawful . . . [or] that undermine[s] the national interest.”

D. Energy-Related Executive Orders 13211, 14154, and 14156

The President has declared in E.O. 14156, *Declaring a National Energy Emergency*, a National emergency to address inadequate U.S. energy development production, transportation, refining, and generation capacity. Similarly, E.O. 14154, *Unleashing American Energy*, asserts a Federal policy to unleash American energy by ensuring access to abundant supplies of reliable, affordable energy from (inter alia) the removal of “undue burden[s]” on the identification, development, or use of domestic energy resources such as PHMSA-jurisdictional gasses and hazardous liquids. PHMSA finds this direct final rule is consistent with each of E.O. 14156 and E.O. 14154. The direct final rule will give affected pipeline operators the benefit of using the updated standard to maintain or improve public safety, prevent regulatory confusion, and reduce compliance burdens on stakeholders. PHMSA therefore expects the regulatory amendment in this direct final rule will in turn increase national pipeline transportation capacity and improve pipeline operators’ ability to provide abundant, reliable, affordable natural

gas in response to residential, commercial, and industrial demand.

However, this direct final rule is not a “significant energy action” under E.O. 13211, *Actions Concerning Regulations That Significantly Affect Energy Supply, Distribution, or Use*, which requires Federal agencies to prepare a Statement of Energy Effects for any “significant energy action.” Because this direct final rule is not a significant action under E.O. 12866, it will not have a significant adverse effect on supply, distribution, or energy use.

E. Executive Order 13132: Federalism

PHMSA analyzed this direct final rule in accordance with the principles and criteria contained in E.O. 13132, *Federalism*, and the Presidential Memorandum (“Preemption”) published in the **Federal Register** on May 22, 2009. E.O. 13132 requires agencies to assure meaningful and timely input by State and local officials in the development of regulatory policies that may have “substantial direct effects on the States, on the relationship between the National Government and the States, or on the distribution of power and responsibilities among the various levels of government.”

While the direct final rule may operate to preempt some State requirements, it will not impose any regulation that has substantial direct effects on the States, the relationship between the National Government and the States, or the distribution of power and responsibilities among the various levels of government. Section 60104(c) of the Federal Pipeline Safety Laws prohibits certain State safety regulation of interstate pipelines. Under the Federal Pipeline Safety Laws, States that have submitted a current certification under section 60105(a) can augment Federal pipeline safety requirements for intrastate pipelines regulated by PHMSA but may not approve safety requirements less stringent than those required by Federal law. A State may also regulate an intrastate pipeline facility that PHMSA does not regulate. The preemptive effect of the regulatory amendments in this direct final rule is limited to the minimum level necessary to achieve the objectives of the Federal Pipeline Safety Laws. Therefore, the consultation and funding requirements of E.O. 13132 do not apply.

F. Regulatory Flexibility Act

The Regulatory Flexibility Act (RFA, 5 U.S.C. 601 *et seq.*) requires Federal agencies to conduct a Final Regulatory Flexibility Analysis (FRFA) for a final rule subject to notice-and-comment

rulemaking, unless the agency certifies that the rule will not have a significant economic impact on a substantial number of small entities. The RFA applies only to rules for which an agency is required to first publish a proposed rule (*see* 5 U.S.C. 603(a) and 604(a)). PHMSA is not required to publish a notice of proposed rulemaking for this DFR, so the RFA does not apply. However, PHMSA expects no affected operators will face significant costs because the referenced standard is widely available for purchase at relatively low cost, most operators are already in compliance with the content of the referenced standard, and compliance costs for any remaining operators are expected to be negligible.

G. Unfunded Mandates Reform Act of 1995

The Unfunded Mandates Reform Act (UMRA, 2 U.S.C. 1501 *et seq.*) requires agencies to assess the effects of Federal regulatory actions on State, local, and Tribal governments, and the private sector. For any proposed or direct final rule that includes a Federal mandate that may result in the expenditure by State, local, and Tribal governments, in the aggregate of \$100 million or more in 1996 dollars (\$203 million in 2024 dollars) in any given year, the agency must prepare, amongst other things, a written statement that qualitatively and quantitatively assesses the costs and benefits of the Federal mandate.

This direct final rule does not impose unfunded mandates under UMRA because it does not result in costs of \$100 million or more (in 1996 dollars) per year for either State, local, or Tribal governments, or to the private sector.

H. National Environmental Policy Act

PHMSA has analyzed this rule pursuant to the National Environmental Policy Act (NEPA, 42 U.S.C. 4321 *et seq.*) and has determined it is categorically excluded under 23 CFR 771.117(c)(20), which applies to the promulgation of rules, regulations, and directives. Under section 9 of DOT Order 5610.1D (“DOT’s Procedures for Considering Environmental Impacts”), PHMSA may apply a categorical exclusion established in another Operating Administration’s procedures. PHMSA followed the requirements outlined in DOT Order 5610.1D to apply a categorical exclusion issued by the Federal Highway Administration (FHWA) to this deregulatory action. PHMSA does not anticipate any adverse environmental impacts from this rule, and PHMSA has determined no unusual circumstances are present under 23 CFR 771.117(b). PHMSA’s Categorical

Exclusion Determination memo for this action is available on PHMSA’s website.²

I. Executive Order 13175

PHMSA analyzed this direct final rule according to the principles and criteria in E.O. 13175, *Consultation and Coordination with Indian Tribal Governments*, and DOT Order 5301.1A (“Department of Transportation Tribal Consultation Policies and Procedures”). E.O. 13175 requires agencies to assure meaningful and timely input from Tribal government representatives in the development of rules that significantly or uniquely affect Tribal communities by imposing “substantial direct compliance costs” or “substantial direct effects” on such communities or the relationship or distribution of power between the Federal Government and Tribes.

PHMSA assessed the impact of the direct final rule and determined that it will not significantly or uniquely affect Tribal communities or Indian Tribal governments. The rulemaking’s regulatory amendments have a broad, national scope; therefore, this direct final rule will not significantly or uniquely affect Tribal communities, much less impose substantial compliance costs on Native American Tribal governments or mandate Tribal action. For these reasons, PHMSA has concluded that the funding and consultation requirements of E.O. 13175 and DOT Order 5301.1A do not apply.

J. Paperwork Reduction Act

The Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*) and its implementing regulations at 5 CFR 1320.8(d) requires that PHMSA provide interested members of the public and affected agencies with an opportunity to comment on information collection and recordkeeping requests. This rulemaking will not create, amend, or rescind any existing information collections.

K. Executive Order 13609 and International Trade Analysis

E.O. 13609, *Promoting International Regulatory Cooperation*, requires agencies to consider whether the impacts associated with significant variations between domestic and international regulatory approaches are unnecessary or may impair the ability of American business to export and compete internationally. In meeting shared challenges involving health,

² DOT, *Implementing Procedures*, <https://www.phmsa.dot.gov/planning-and-analytics/environmental-analysis-and-compliance/implementing-procedures>.

safety, labor, security, environmental, and other issues, international regulatory cooperation can identify approaches that are at least as protective as those that are or would be adopted in the absence of such cooperation. International regulatory cooperation can also reduce, eliminate, or prevent unnecessary differences in regulatory requirements.

Similarly, the Trade Agreements Act of 1979 (Pub. L. 96–39), as amended by the Uruguay Round Agreements Act (Pub. L. 103–465), prohibits Federal agencies from establishing any standards or engaging in related activities that create unnecessary obstacles to the foreign commerce of the United States. For purposes of these requirements, Federal agencies may participate in the establishment of international standards, so long as the standards have a legitimate domestic objective, such as providing for safety, and do not operate to exclude imports that meet this objective. The statute also requires consideration of international standards and, where appropriate, that they be the basis for U.S. standards.

PHMSA engages with international standards setting bodies to protect the safety of the American public. PHMSA has assessed the effects of the direct final rule and has determined that its regulatory amendments will not cause unnecessary obstacles to foreign trade.

L. Cybersecurity and Executive Order 14028

E.O. 14028, *Improving the Nation's Cybersecurity*, directed the Federal Government to improve its efforts to identify, deter, and respond to “persistent and increasingly sophisticated malicious cyber campaigns.” PHMSA has considered the effects of the direct final rule and has determined that its regulatory amendments will not materially affect the cybersecurity risk profile for pipeline facilities.

List of Subjects

49 CFR Part 192

Incorporation by reference, Natural gas, Pipeline safety.

49 CFR Part 195

Anhydrous ammonia, Carbon dioxide, Incorporation by reference, Petroleum, Pipeline safety.

For the reasons set forth above, PHMSA amends 49 CFR parts 192 and 195 as follows:

PART 192—TRANSPORTATION OF NATURAL AND OTHER GAS BY PIPELINE: MINIMUM FEDERAL SAFETY STANDARDS

■ 1. The authority citation for part 192 continues to read as follows:

Authority: 30 U.S.C. 185(w)(3), 49 U.S.C. 5103, 60101 *et seq.*, and 49 CFR 1.97.

■ 2. In § 192.7, revise paragraph (f)(1) to read as follows:

§ 192.7 What documents are incorporated by reference partly or wholly in this part?

* * * * *

(f) * * *

(1) ASTM A53/A53M–24, Standard Specification for Pipe, Steel, Black and Hot-Dipped, Zinc-Coated, Welded and Seamless, approved March 1, 2024, (ASTM A53/A53M); IBR approved for § 192.113(a); Appendix B to part 192.

* * * * *

PART 195—TRANSPORTATION OF HAZARDOUS LIQUIDS BY PIPELINE

■ 3. The authority citation for part 195 continues to read as follows:

Authority: 30 U.S.C. 185(w)(3), 49 U.S.C. 5103, 60101 *et seq.*, and 49 CFR 1.97.

■ 4. In § 195.3, revise paragraph (f)(1) to read as follows:

§ 195.3 What documents are incorporated by reference partly or wholly in this part?

* * * * *

(f) * * *

(1) ASTM A53/A53M–24, Standard Specification for Pipe, Steel, Black and Hot-Dipped, Zinc-Coated, Welded and Seamless, approved March 1, 2024, (ASTM A53/A53M); IBR approved for § 195.106(e).

* * * * *

Issued in Washington, DC, on April 22, 2026, under the authority delegated in 49 CFR 1.97.

Paul J. Roberti,
Administrator.

[FR Doc. 2026–08073 Filed 4–23–26; 8:45 am]

BILLING CODE 4910–60–P

DEPARTMENT OF TRANSPORTATION

Pipeline and Hazardous Materials Safety Administration

49 CFR Part 194

[Docket No. PHMSA–2026–1519; Amdt. No. 194–6]

RIN 2137–AG23

Pipeline Safety: Electronic Retention of Part 194 Response Plans

AGENCY: Pipeline and Hazardous Materials Safety Administration (PHMSA), Department of Transportation (DOT).

ACTION: Direct final rule (DFR); request for comments.

SUMMARY: This DFR will amend facility response plan regulations to allow operators of oil pipelines to keep electronic copies of onshore oil spill response plans or the “relevant portions” of those plans in lieu of paper copies.

DATES: The DFR is effective August 3, 2026, unless adverse comments are received by June 23, 2026. If adverse comments are received, notification will be published in the **Federal Register** before the effective date withdrawing the rule and publishing a notice of proposed rulemaking to provide an additional opportunity for public comment.

ADDRESSES: You may submit comments identified by the Docket Number PHMSA–2026–1519 using any of the following methods:

E-Gov Web: <https://www.regulations.gov>. This site allows the public to enter comments on any **Federal Register** notice issued by any agency. Follow the online instructions for submitting comments.

Mail: Docket Management System: U.S. Department of Transportation, 1200 New Jersey Avenue SE, West Building Ground Floor, Room W12–140, Washington, DC 20590–0001.

Hand Delivery: U.S. DOT Docket Management System: 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.

For commenting instructions and additional information about commenting, see **SUPPLEMENTARY INFORMATION**.

FOR FURTHER INFORMATION CONTACT: Brooks Tate, Transportation Specialist, 1200 New Jersey Avenue SE, Washington, DC 20590, 202–281–5413, brooks.tate@dot.gov.

SUPPLEMENTARY INFORMATION:

I. General Discussion

Through this DFR, PHMSA is expressly permitting hazardous liquid operators to maintain electronic versions of onshore pipeline oil spill response plans required by 49 CFR 194.111. Currently, § 194.111 states that “[e]ach operator shall maintain relevant portions of its response plan at the operator’s headquarters and at other locations from which response activities may be conducted, for example, in field offices, supervisors’ vehicles, or spill response trailers.”

Comments submitted by American Petroleum Institute (API), Liquid Energy Pipeline Association (LEPA), and GPA Midstream on PHMSA’s recent “Unleashing American Energy” Advance Notice of Proposed Rulemaking (90 FR 23660 (June 4, 2025))¹ have requested PHMSA update § 194.111 to allow for electronic copies of response plans, as “today’s phones and devices [can be used as] plan storage and response checklists with more capabilities than a paper document. Allowing electronic storage and access would nullify the need for copies to be kept in vehicles or trailers,” and “could also increase security protections of these critical documents.”

For this reason, PHMSA is amending § 194.111 to allow a pipeline operator to maintain relevant portions of oil spill response plans electronically on a secured handheld device.

Commenting Instructions: Please include the docket number PHMSA–2026–1519 at the beginning of your comments. If you submit your comments by mail, submit two copies. If you wish to receive confirmation that PHMSA received your comments, include a self-addressed stamped postcard. Internet users may submit comments at <https://www.regulations.gov>.

Note: Comments are posted without changes or edits to <https://www.regulations.gov>, including any personal information provided. There is a privacy statement published on <https://www.regulations.gov>.

Privacy Act: In accordance with 5 U.S.C. § 553(c), DOT solicits comments from the public to inform its rulemaking process. DOT posts these comments, without edit, including any personal information the commenter provides, to <https://www.regulations.gov>, as

described in the system of records notice (DOT/ALL–14 FDMS), which can be reviewed at <https://www.dot.gov/privacy>.

Confidential Business Information: Confidential Business Information (CBI) is commercial or financial information that is both customarily and actually treated as private by its owner. Under the Freedom of Information Act (FOIA, 5 U.S.C. 552), CBI is exempt from public disclosure. It is important that you clearly designate the comments submitted as CBI if: your comments responsive to this document contain commercial or financial information that is customarily treated as private; you actually treat such information as private; and your comment is relevant or responsive to this notice. Pursuant to 49 CFR 190.343, you may ask PHMSA to provide confidential treatment to information you give to the agency by taking the following steps: (1) mark each page of the original document submission containing CBI as “Confidential;” (2) send PHMSA, along with the original document, a second copy of the original document with the CBI deleted; and (3) explain why the information that you are submitting is CBI. Submissions containing CBI should be sent to Brooks Tate, Office of Pipeline Safety, Pipeline and Hazardous Materials Safety Administration (PHMSA), 2nd Floor, 1200 New Jersey Avenue SE Washington, DC 20590–0001, or by email at brooks.tate@dot.gov. Any materials PHMSA receives that is not specifically designated as CBI will be placed in the public docket.

Docket: For access to the docket to read background documents or comments received, go to <http://www.regulations.gov>. Follow the online instructions for accessing the docket. Alternatively, you may review the documents in person at the street address listed above.

II. Regulatory Analysis and Notices

A. Legal Authority

This direct final rule is published under the authority of the Secretary of Transportation as set forth in the Federal Pipeline Safety Laws (49 U.S.C. 60101 *et seq.*) and delegated to the PHMSA Administrator pursuant to 49 CFR 1.97. Upon evaluation, and for the reasons explained above, PHMSA has determined that this direct final rule is unlikely to elicit significant adverse comment. See 49 U.S.C. 60102(b)(6)(A) and 49 CFR 190.339. PHMSA similarly finds that publication of a proposed rulemaking on which comment is solicited would be “unnecessary” pursuant to section

553(b)(B) of the Administrative Procedure Act (5 U.S.C. 551 *et seq.*) because this rulemaking merely changes the form (rather than the content) of operator oil spill response plans to align better with industry and societal movement toward electronic (rather than hard copy) documentation.

B. Executive Order 12866

E.O. 12866, *Regulatory Planning and Review*, as implemented by DOT Order 2100.6B (“Policies and Procedures for Rulemaking”) and DOT Order 2100.7 (“Ensuring Reliance upon Sound Economic Analysis in Department of Transportation Policies, Programs, and Activities”), requires agencies to regulate in the “most cost-effective manner,” to make a “reasoned determination that the benefits of the intended regulation justify its costs,” and to develop regulations that “impose the least burden on society.” In arriving at those conclusions, E.O. 12866 requires that agencies should consider “both quantifiable measures . . . and qualitative measures of costs and benefits that are difficult to quantify” and “maximize net benefits . . . unless a statute requires another regulatory approach.” E.O. 12866 also requires that “agencies should assess all costs and benefits of available regulatory alternatives, including the alternative of not regulating.” DOT Order 2100.6B directs that PHMSA and other Operating Administrations must generally choose the “least costly regulatory alternative that achieves the relevant objectives” unless required by law or compelling safety need. DOT Order 2100.6B also specifies that regulations should generally “not be issued unless their benefits are expected to exceed their costs.” DOT Order 2100.7 requires that “all rulemaking activities shall be based on sound economic principles and analysis supported by rigorous cost-benefit requirements.”

E.O. 12866 and DOT Order 2100.6B also require that PHMSA submit “significant regulatory actions” to the Office of Information and Regulatory Affairs (OIRA) within the Executive Office of the President’s Office of Management and Budget (OMB) for review. This DFR is a not significant regulatory action pursuant to E.O. 12866; OMB also has not designated this rule as a “major rule” as defined by the Congressional Review Act (5 U.S.C. 801 *et seq.*).

PHMSA has complied with the procedural and analytical requirements in E.O. 12866 as implemented by DOT Order 2100.6B and DOT Order 2100.7. In so doing, PHMSA has determined that this direct final rule will result in

¹ API *et al.*, “Comments on Pipeline Safety: Mandatory Regulatory Reviews to Unleash American Energy and Improve Government Efficiency” (June 4, 2025), <https://www.regulations.gov/comment/PHMSA-2025-0050-0058>.

some cost savings by reducing regulatory burdens for pipeline facility operators by allowing operators to maintain response plans electronically rather than in paper form. The cost savings of this rulemaking could not be quantified because PHMSA lacks information on how operators might adjust their records practices to incorporate electronic response plans and potential associated savings of resources thereof. PHMSA also determined that this rulemaking will not have any adverse safety effects.

C. Executive Orders 14192 and 14219

This direct final rule is considered a deregulatory action pursuant to E.O. 14192, *Unleashing Prosperity Through Deregulation*. PHMSA estimates that the total costs of the rule on the regulated community will be less than zero. Nor does this rulemaking implicate any of the factors identified in section 2(a) of E.O. 14219, *Ensuring Lawful Governance and Implementing the President's "Department of Government Efficiency" Deregulatory Initiative*, indicative that a regulation is "unlawful . . . [or] that undermine[s] the national interest."

D. Energy-Related Executive Orders 13211, 14154, and 14156

The President has declared in E.O. 14156, *Declaring a National Energy Emergency*, a national emergency to address America's inadequate energy development production, transportation, refining, and generation capacity. Similarly, E.O. 14154, *Unleashing American Energy*, asserts a Federal policy to unleash American energy by ensuring access to abundant supplies of reliable, affordable energy from (inter alia) the removal of "undue burden[s]" on the identification, development, or use of domestic energy resources such as PHMSA-jurisdictional gasses and hazardous liquids. PHMSA finds this direct final rule is consistent with each of E.O. 14156 and E.O. 14154. The direct final rule will give affected pipeline operators cost savings by allowing operators to use modern technology for oil spill response plan maintenance and recordkeeping. PHMSA therefore expects the regulatory amendments in this direct final rule will in turn increase efficiencies and remove undue financial burdens.

However, this direct final rule is not a "significant energy action" under E.O. 13211, *Actions Concerning Regulations That Significantly Affect Energy Supply, Distribution, or Use*, which requires Federal agencies to prepare a Statement of Energy Effects for any "significant energy action." Because this direct final

rule is not a significant action under E.O. 12866, it will not have a significant adverse effect on the supply, distribution, or use of energy; OIRA has therefore not designated this direct final rule as a significant energy action.

E. Executive Order 13132: Federalism

PHMSA analyzed this direct final rule in accordance with the principles and criteria contained in E.O. 13132, *Federalism*, and the Presidential Memorandum ("Preemption") published in the **Federal Register** on May 22, 2009. E.O. 13132 requires agencies to ensure meaningful and timely input by State and local officials in the development of regulatory policies that may have "substantial direct effects on the States, on the relationship between the National Government and the States, or on the distribution of power and responsibilities among the various levels of government."

While the direct final rule may operate to preempt some State requirements, it will not impose any regulation that has substantial direct effects on the States, the relationship between the National Government and the States, or the distribution of power and responsibilities among the various levels of government. Section 60104(c) of the Federal Pipeline Safety Laws prohibits certain State safety regulation of interstate pipelines. Under the Federal Pipeline Safety Laws, States that have submitted a current certification under section 60105(a) can augment Federal pipeline safety requirements for intrastate pipelines regulated by PHMSA but may not approve safety requirements less stringent than those required by Federal law. A State may also regulate an intrastate pipeline facility that PHMSA does not regulate. The preemptive effect of the regulatory amendments in this direct final rule is limited to the minimum level necessary to achieve the objectives of the Federal Pipeline Safety Laws. Therefore, the consultation and funding requirements of E.O. 13132 do not apply.

F. Regulatory Flexibility Act

The Regulatory Flexibility Act (RFA, 5 U.S.C. 601 *et seq.*) requires Federal agencies to conduct a Final Regulatory Flexibility Analysis (FRFA) for a final rule subject to notice-and-comment rulemaking, unless the agency certifies that the rule will not have a significant economic impact on a substantial number of small entities. The RFA applies only to rules for which an agency is required to first publish a proposed rule (see 5 U.S.C. 603(a) and 604(a)). PHMSA is not required to

publish a notice of proposed rulemaking for this DFR, so the RFA does not apply. However, the regulatory amendments introduced here are expected to reduce burdens on operators by clarifying that electronic documents satisfy PHMSA requirements for oil spill response plans. Further, PHMSA expects no affected operators will face significant costs from the option to adopt the latest technology for ease of document submission. Therefore, PHMSA certifies that this DFR will not have a significant economic impact on a substantial number of small entities.

G. Unfunded Mandates Reform Act of 1995

The Unfunded Mandates Reform Act (UMRA, 2 U.S.C. 1501 *et seq.*) requires agencies to assess the effects of Federal regulatory actions on State, local, and Tribal governments, and the private sector. For any proposed or direct final rule that includes a Federal mandate that may result in the expenditure by State, local, and Tribal governments, in the aggregate of \$100 million or more in 1996 dollars (\$203 million in 2024 dollars) in any given year, the agency must prepare, amongst other things, a written statement that qualitatively and quantitatively assesses the costs and benefits of the Federal mandate.

This direct final rule does not impose unfunded mandates under UMRA because it does not result in costs of \$100 million or more (in 1996 dollars) per year for either State, local, or Tribal governments, or to the private sector.

H. National Environmental Policy Act

PHMSA has analyzed this rule pursuant to the National Environmental Policy Act (NEPA, 42 U.S.C. 4321 *et seq.*) and has determined it is categorically excluded under 23 CFR 771.117(c)(20), which applies to the promulgation of rules, regulations, and directives. Under section 9 of DOT Order 5610.1D ("DOT's Procedures for Considering Environmental Impacts"), PHMSA may apply a categorical exclusion (CE) established in another Operating Administration's (OA) procedures. PHMSA followed the requirements outlined in DOT Order 5610.1D to apply the Federal Highway Administration's (FHWA) CE to this deregulatory action. This rule does not change substantive plan requirements and PHMSA therefore does not anticipate any adverse environmental impacts from this rule, and PHMSA has determined no unusual circumstances are present under 23 CFR 771.117(b). PHMSA's Categorical Exclusion Determination memo for this action is available on PHMSA's website.

I. Executive Order 13175

PHMSA analyzed this direct final rule according to the principles and criteria in E.O. 13175, *Consultation and Coordination with Indian Tribal Governments*, and DOT Order 5301.1A (“Department of Transportation Tribal Consultation Policies and Procedures”). E.O. 13175 requires agencies to assure meaningful and timely input from Tribal government representatives in the development of rules that significantly or uniquely affect Tribal communities by imposing “substantial direct compliance costs” or “substantial direct effects” on such communities or the relationship or distribution of power between the Federal Government and Tribes.

PHMSA assessed the impact of the direct final rule and determined that it will not significantly or uniquely affect Tribal communities or Indian Tribal governments. The rulemaking’s regulatory amendments have a broad, national scope; therefore, this direct final rule will not significantly or uniquely affect Tribal communities, much less impose substantial compliance costs on Native American Tribal governments or mandate Tribal action. For these reasons, PHMSA has concluded that the funding and consultation requirements of E.O. 13175 and DOT Order 5301.1A do not apply.

J. Paperwork Reduction Act

The Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*) and its implementing regulations at 5 CFR 1320.8(d) requires that PHMSA provide interested members of the public and affected agencies with an opportunity to comment on information collection and recordkeeping requests. This rulemaking will not create nor rescind any existing information collections; however, this rulemaking provides for a 30-day comment period. After the effective date of the final rule, PHMSA will request amendment of the pertinent information collections consistent with Paperwork Reduction Act requirements and implementing guidance.

K. Executive Order 13609 and International Trade Analysis

E.O. 13609, *Promoting International Regulatory Cooperation*, requires agencies to consider whether the impacts associated with significant variations between domestic and international regulatory approaches are unnecessary or may impair the ability of American business to export and compete internationally. In meeting shared challenges involving health, safety, labor, security, environmental,

and other issues, international regulatory cooperation can identify approaches that are at least as protective as those that are or would be adopted in the absence of such cooperation. International regulatory cooperation can also reduce, eliminate, or prevent unnecessary differences in regulatory requirements.

Similarly, the Trade Agreements Act of 1979 (Pub. L. 96–39), as amended by the Uruguay Round Agreements Act (Pub. L. 103–465), prohibits Federal agencies from establishing any standards or engaging in related activities that create unnecessary obstacles to the foreign commerce of the United States. For purposes of these requirements, Federal agencies may participate in the establishment of international standards, so long as the standards have a legitimate domestic objective, such as providing for safety, and do not operate to exclude imports that meet this objective. The statute also requires consideration of international standards and, where appropriate, that they be the basis for U.S. standards.

PHMSA engages with international standards setting bodies to protect the safety of the American public. PHMSA has assessed the effects of the direct final rule and has determined that its regulatory amendments will not cause unnecessary obstacles to foreign trade.

L. Cybersecurity and Executive Order 14028

E.O. 14028, *Improving the Nation’s Cybersecurity*, directed the Federal Government to improve its efforts to identify, to deter, and to respond to “persistent and increasingly sophisticated malicious cyber campaigns.” PHMSA has considered the effects of the direct final rule and has determined that its regulatory amendments will not materially affect the cybersecurity risk profile for pipeline facilities.

List of Subjects in 49 CFR Part 194

Environmental protection, Hazardous materials transportation, Oil pollution, Petroleum, Pipeline safety, Pipelines, Reporting and recordkeeping requirements, Transportation, Water pollution control.

In consideration of the foregoing, PHMSA amends 49 CFR part 194, as follows:

PART 194—RESPONSE PLANS OR ONSHORE OIL PIPELINES

■ 1. The authority citation for Part 194 continues to read as follows:

Authority: 33 U.S.C. 1231, 1321(j)(1)(C), (j)(5) and (j)(6); sec. 2, E.O. 12777, 56 FR

54757, 3 CFR, 1991 Comp., p. 351; 49 CFR 1.53.

■ 2. In § 194.111, revise paragraph (a) to read as follows:

§ 194.111 Response plan retention.

(a) Each operator shall maintain relevant portions of its response plan at:

(1) The operator’s headquarters and other locations from which response activities may be conducted, for example in field offices, supervisors’ vehicles, or spill response trailers; or

(2) Electronic storage on a readily accessible secured portable device.

* * * * *

Issued in Washington, DC, on April 22, 2026, under the authority delegated in 49 CFR 1.97.

Paul J. Roberti,
Administrator.

[FR Doc. 2026–08070 Filed 4–23–26; 8:45 am]

BILLING CODE 4910–60–P

DEPARTMENT OF TRANSPORTATION

Pipeline and Hazardous Materials Safety Administration

49 CFR Part 195

[Docket No. PHMSA–2026–1535; Amdt. No. 195–123]

RIN 2137–AG39

Pipeline Safety: Standards Update—ASME B31.4

AGENCY: Pipeline and Hazardous Materials Safety Administration (PHMSA), Department of Transportation (DOT).

ACTION: Direct final rule (DFR); request for comments.

SUMMARY: This DFR amends PHMSA’s regulations to incorporate by reference an updated edition of industry standard ASME B31.4, Pipeline Transportation Systems for Liquids and Slurries: ASME Code for Pressure Piping, B31. This updated standard will maintain or improve public safety, prevent regulatory confusion, reduce compliance burdens on stakeholders, and satisfy a mandate in the National Technology Transfer and Advancement Act (NTTAA) of 1995.

DATES: The DFR is effective January 1, 2027, unless adverse comments are received by June 23, 2026. If adverse comments are received, notification will be published in the **Federal Register** before the effective date withdrawing the rule and publishing a notice of proposed rulemaking to provide an additional opportunity for public comment. Compliance after June 23,

2026 is authorized. The incorporation by reference of certain material listed in this rule is approved by the Director of the Federal Register as of January 1, 2027.

ADDRESSES: You may submit comments identified by the Docket Number PHMSA–2026–1535 using any of the following methods:

E-Gov Web: [https://](https://www.regulations.gov)

www.regulations.gov. This site allows the public to enter comments on any **Federal Register** notice issued by any agency. Follow the online instructions for submitting comments.

Mail: Docket Management System: U.S. Department of Transportation, 1200 New Jersey Avenue SE, West Building Ground Floor, Room W12–140, Washington, DC 20590–0001. Alternatively, hand delivery is available to this address between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

Fax: 1–202–493–2251.

For commenting instructions and additional information about commenting, see **SUPPLEMENTARY INFORMATION**.

FOR FURTHER INFORMATION CONTACT:

Alyssa Imam, Transportation Specialist, 1200 New Jersey Avenue SE, Washington, DC 20590, by phone at 202–738–3850 or email at alyssa.imam@dot.gov.

SUPPLEMENTARY INFORMATION:

I. General Discussion

Through this DFR, PHMSA is incorporating by reference an update to a voluntary, consensus industry technical standard already incorporated by reference within 49 CFR part 195. Specifically, PHMSA is updating the referenced edition of industry standard ASME B31.4, Pipeline Transportation Systems for Liquids and Slurries: ASME Code for Pressure Piping, B31, to the 2022 edition (ASME 31.4).

ASME 31.4 prescribes requirements for the design, materials, construction, assembly, inspection, testing, operation, and maintenance of liquid pipeline systems between production fields or facilities, tank farms, above- or belowground storage facilities, natural gas processing plants, refineries, pump stations, ammonia plants, terminals (marine, rail, and truck), and other delivery and receiving points, as well as pipelines transporting liquids within pump stations, tank farms, and terminals associated with liquid pipeline systems. It also prescribes requirements for the design, materials, construction, assembly, inspection, testing, operation, and maintenance of piping transporting aqueous slurries of

nonhazardous materials such as coal, mineral ores, concentrates, and other solid materials, between a slurry processing plant or terminal and a receiving plant or terminal.

A reference to the 2022 edition of this standard will replace the existing reference in § 195.110(a) to ASME B31.4–2019, “Pipeline Transportation Systems for Liquids and Slurries: ASME Code for Pressure Piping, B31,” issued November 1, 2019.¹ In parallel with updating in August 2025 regulatory references to this standard to the 2019 edition, PHMSA continued to review more recent editions of the standard for potential incorporation in its regulations. Based on that technical review, PHMSA now supports further updating of the standard to the 2022 edition.

This updated standard will maintain or improve public safety, prevent regulatory confusion, and reduce compliance burdens on stakeholders. The National Technology Transfer and Advancement Act (NTTAA) of 1995 (15 U.S.C. 272 (note)) directs Federal agencies to, “when practical and consistent with applicable laws, use technical standards developed by voluntary consensus standard bodies instead of government-developed technical standards.” Consistent with that mandate, PHMSA incorporates more than 80 industry standards by reference into the Federal Pipeline Safety Regulations (49 CFR parts 190–199); however, many standards become outdated over time as new editions become available. 49 U.S.C. 60102(l) directs PHMSA to update incorporated industry standards.

Updating this standard ensures better alignment of PHMSA’s regulations with innovations in operational and management practices, materials, testing, and technological advancements; enhances compliance by avoiding conflict between different versions of the same industry standards; and facilitates safety-focused allocation of resources by pipeline operators. PHMSA technical experts have evaluated the changes in the updated edition of ASME B31.4 and concluded it will either maintain or enhance the protection of public safety. These updates effectively mitigate safety gaps by incorporating innovations in equipment design, operational and maintenance practices, and testing, while addressing latent vulnerabilities that were historically unidentifiable due

to the technical limitations of legacy data-gathering and monitoring capabilities. Indeed, PHMSA on August 21, 2025, published a final rule updating the reference within part 195 to the 2019 edition of this standard after preliminarily finding the revisions in that edition enhanced pipeline safety (90 FR 40749); PHMSA’s evaluation of the handful of changes introduced in the standard since 2019 yield a similar conclusion regarding their safety impact. PHMSA further concludes that the direct final rule’s updated standard is technically feasible, reasonable, cost-effective, and practicable because of its respective anticipated commercial and public safety benefits; and because the benefits better support PHMSA’s safety priorities compared to alternatives, thereby justifying any associated compliance costs.

Availability of Materials to Interested Parties

Pursuant to section 24 of the Pipeline Safety, Regulatory Certainty, and Job Creation Act of 2011 (Pub. L. 112–90, codified at 49 U.S.C. 60102(p)), “the Secretary may not issue a regulation pursuant to this chapter that incorporates any documents or portions thereof unless the documents or portions thereof are made available to the public, free of charge.”

As of the publication of this direct final rule, PHMSA was not able to reach a general agreement with the American Society of Mechanical Engineers (ASME) to make the standards readily available online as ASME heavily relies on the revenue the standards generate. Individuals and organizations may access the ASME standard incorporated by reference in this direct final rule by contacting the PHMSA standards library at the following email address: phmsaphpstandards@dot.gov. Such requests should include a phone number, physical address, and an email address. The material can also be obtained by interested parties through the applicable publisher contact information listed in § 195.3. Additional information regarding standards availability can be found at <https://www.phmsa.dot.gov/standards-rulemaking/pipeline/standards-incorporated-reference>.

Commenting Instructions: Please include the docket number PHMSA–2026–1535 at the beginning of your comments. If you submit your comments by mail, submit two copies. If you wish to receive confirmation that PHMSA received your comments, include a self-addressed stamped postcard. Internet users may submit

¹ PHMSA, *Periodic Safety: Periodic Standards Update II*, 90 FR 40749 (Aug. 21, 2025) (effective Jan. 10, 2026). The current direct final rule reflects the list of references as they will exist after this effective date.

comments at <https://www.regulations.gov>.

Note: Comments are posted without changes or edits to <https://www.regulations.gov>, including any personal information provided. There is a privacy statement published on <https://www.regulations.gov>.

Privacy Act: In accordance with 5 U.S.C. 553(c), DOT solicits comments from the public to inform its rulemaking process. DOT posts these comments, without edit, including any personal information the commenter provides, to our docket at <https://www.regulations.gov>. You may review DOT's Complete Privacy Act Statement by visiting <https://www.dot.gov/privacy>.

Confidential Business Information: Confidential Business Information (CBI) is commercial or financial information that is both customarily and actually treated as private by its owner. Under the Freedom of Information Act (FOIA, 5 U.S.C. 552), CBI is exempt from public disclosure. It is important that you clearly designate the comments submitted as CBI if: your comments responsive to this document contain commercial or financial information that is customarily treated as private; you actually treat such information as private; and your comment is relevant or responsive to this notice. Pursuant to 49 CFR 190.343, you may ask PHMSA to provide confidential treatment to information you give to the agency by taking the following steps: (1) mark each page of the original document submission containing CBI as "Confidential;" (2) send PHMSA, along with the original document, a second copy of the original document with the CBI deleted; and (3) explain why the information that you are submitting is CBI. Submissions containing CBI should be sent to Brianna Wilson, Standards and Rulemaking Division, Pipeline and Hazardous Materials Safety Administration (PHMSA), 2nd Floor, 1200 New Jersey Avenue SE, Washington, DC 20590-0001, or by email at brianna.wilson@dot.gov. Any materials PHMSA receives that is not specifically designated as CBI will be placed in the public docket.

Docket: For access to the docket to read background documents or comments received, go to <http://www.regulations.gov>. Follow the online instructions for accessing the docket. Alternatively, you may review the documents in person at the street address listed above.

II. Regulatory Analysis and Notices

A. Legal Authority

This direct final rule is published under the authority of the Secretary of Transportation set forth in the Federal Pipeline Safety Laws (49 U.S.C. 60101 *et seq.*) and delegated to the PHMSA Administrator pursuant to 49 CFR 1.97. PHMSA has determined that this direct final rule—which updates an industry standard already incorporated by reference into its regulations—is unlikely to elicit significant adverse comment. See 49 U.S.C. 60102(b)(6)(A). PHMSA similarly finds that publication of a proposed rulemaking on which comment is solicited would be “unnecessary” pursuant to section 553(b)(B) of the Administrative Procedure Act (5 U.S.C. 551 *et seq.*) because this rulemaking merely adopts an updated version of an industry standard reflecting a broad consensus among affected industry stakeholders.

B. Executive Order 12866

E.O. 12866, *Regulatory Planning and Review*, as implemented by DOT Order 2100.6B (“Policies and Procedures for Rulemaking”) and DOT Order 2100.7 (“Ensuring Reliance upon Sound Economic Analysis in Department of Transportation Policies, Programs, and Activities”), requires agencies to regulate in the “most cost-effective manner,” to make a “reasoned determination that the benefits of the intended regulation justify its costs,” and to develop regulations that “impose the least burden on society.” In arriving at those conclusions, E.O. 12866 requires that agencies should consider “both quantifiable measures . . . and qualitative measures of costs and benefits that are difficult to quantify” and “maximize net benefits . . . unless a statute requires another regulatory approach.” E.O. 12866 also requires that “agencies should assess all costs and benefits of available regulatory alternatives, including the alternative of not regulating.” DOT Order 2100.6B directs that PHMSA and other Operating Administrations must generally choose the “least costly regulatory alternative that achieves the relevant objectives” unless required by law or compelling safety need. DOT Order 2100.6B also specifies that regulations should generally “not be issued unless their benefits are expected to exceed their costs” except where required by law or compelling safety need. DOT Order 2100.7 requires that “all rulemaking activities shall be based on sound economic principles and analysis supported by rigorous cost-benefit requirement.”

E.O. 12866 and DOT Order 2100.6B also require that PHMSA submit “significant regulatory actions” to the Office of Information and Regulatory Affairs (OIRA) within the Executive Office of the President’s Office of Management and Budget (OMB) for review. This final rule is a not significant regulatory action pursuant to E.O. 12866; OMB also has not designated this rule as a “major rule” as defined by the Congressional Review Act (5 U.S.C. 801 *et seq.*).

PHMSA has complied with the procedural and analytical requirements in E.O. 12866 as implemented by DOT Order 2100.6B and DOT Order 2100.7 and determined that this direct final rule may result in minimal cost savings by reducing regulatory burdens and regulatory uncertainty for pipeline facility operators. In general, updates to consensus industry standards are widely accepted and followed on a voluntary basis throughout most of the pipeline industry. PHMSA understands that most pipeline operators already purchase and voluntarily apply industry standards—including the updated standard that is the subject of this rulemaking—within their ordinary business practices. Incorporation of the updated version of the standard referenced in this direct final rule will help ensure that the industry is not forced to incur the additional cost of complying with different versions of the same standard. The cost savings of this rulemaking could not be quantified.

Updating to a more recent edition of the industry standard will ensure better alignment of PHMSA’s regulations with innovations in operational and maintenance practices, equipment design, and testing. These updates address known safety risks, encourage facilities to invest in safety enhancing innovations, and improve public safety.

C. Executive Orders 14192 and Executive Order 14219

This direct final rule is considered a deregulatory action pursuant to E.O. 14192, *Unleashing Prosperity Through Deregulation*. PHMSA estimates that the total costs of the direct final rule on the regulated community will be less than zero. Nor do the regulatory amendments herein implicate any of the factors identified in section 2(a) of E.O. 14219, *Ensuring Lawful Governance and Implementing the President’s “Department of Government Efficiency” Deregulatory Initiative*, indicative that a regulation is “unlawful . . . [or] that undermine[s] the national interest.”

D. Energy-Related Executive Orders 13211, 14154, and 14156

The President has declared in E.O. 14156, *Declaring a National Energy Emergency*, a National emergency to address inadequate U.S. energy development production, transportation, refining, and generation capacity. Similarly, E.O. 14154, *Unleashing American Energy*, asserts a Federal policy to unleash American energy by ensuring access to abundant supplies of reliable, affordable energy from (inter alia) the removal of “undue burden[s]” on the identification, development, or use of domestic energy resources such as PHMSA-jurisdictional gasses and hazardous liquids. PHMSA finds this direct final rule is consistent with each of E.O. 14156 and E.O. 14154. The direct final rule will give affected pipeline operators the benefit of using the updated standard to maintain or improve public safety, prevent regulatory confusion, and reduce compliance burdens on stakeholders. PHMSA therefore expects the regulatory amendments in this direct final rule will in turn increase national pipeline transportation capacity and improve pipeline operators’ ability to provide abundant, reliable, affordable natural gas in response to residential, commercial, and industrial demand.

However, this direct final rule is not a “significant energy action” under E.O. 13211, *Actions Concerning Regulations That Significantly Affect Energy Supply, Distribution, or Use*, which requires Federal agencies to prepare a Statement of Energy Effects for any “significant energy action.” Because this direct final rule is not a significant action under E.O. 12866, it will not have a significant adverse effect on supply, distribution, or energy use.

E. Executive Order 13132: Federalism

PHMSA analyzed this direct final rule in accordance with the principles and criteria contained in E.O. 13132, *Federalism*, and the Presidential Memorandum (“Preemption”) published in the **Federal Register** on May 22, 2009. E.O. 13132 requires agencies to assure meaningful and timely input by State and local officials in the development of regulatory policies that may have “substantial direct effects on the States, on the relationship between the National Government and the States, or on the distribution of power and responsibilities among the various levels of government.”

While the direct final rule may operate to preempt some State requirements, it will not impose any

regulation that has substantial direct effects on the States, the relationship between the National Government and the States, or the distribution of power and responsibilities among the various levels of government. Section 60104(c) of the Federal Pipeline Safety Laws prohibits certain State safety regulation of interstate pipelines. Under the Federal Pipeline Safety Laws, States that have submitted a current certification under section 60105(a) can augment Federal pipeline safety requirements for intrastate pipelines regulated by PHMSA but may not approve safety requirements less stringent than those required by Federal law. A State may also regulate an intrastate pipeline facility that PHMSA does not regulate. The preemptive effect of the regulatory amendments in this direct final rule is limited to the minimum level necessary to achieve the objectives of the Federal Pipeline Safety Laws. Therefore, the consultation and funding requirements of E.O. 13132 do not apply.

F. Regulatory Flexibility Act

The Regulatory Flexibility Act (RFA, 5 U.S.C. 601 *et seq.*) requires Federal agencies to conduct a Final Regulatory Flexibility Analysis (FRFA) for a final rule subject to notice-and-comment rulemaking, unless the agency certifies that the rule will not have a significant economic impact on a substantial number of small entities. The RFA applies only to rules for which an agency is required to first publish a proposed rule (*see* 5 U.S.C. 603(a) and 604(a)). PHMSA is not required to publish a notice of proposed rulemaking for this DFR, so the RFA does not apply. However, PHMSA expects no affected operators will face significant costs because the referenced standard is widely available for purchase at relatively low cost, most operators are already in compliance with the content of the referenced standard, and compliance costs for any remaining operators are expected to be negligible.

G. Unfunded Mandates Reform Act of 1995

The Unfunded Mandates Reform Act (UMRA, 2 U.S.C. 1501 *et seq.*) requires agencies to assess the effects of Federal regulatory actions on State, local, and Tribal governments, and the private sector. For any proposed or direct final rule that includes a Federal mandate that may result in the expenditure by State, local, and Tribal governments, in the aggregate of \$100 million or more in 1996 dollars (\$203 million in 2024 dollars) in any given year, the agency must prepare, amongst other things, a written statement that qualitatively and

quantitatively assesses the costs and benefits of the Federal mandate.

This direct final rule does not impose unfunded mandates under UMRA because it does not result in costs of \$100 million or more (in 1996 dollars) per year for either State, local, or Tribal governments, or to the private sector.

H. National Environmental Policy Act

PHMSA has analyzed this rule pursuant to the National Environmental Policy Act (NEPA, 42 U.S.C. 4321 *et seq.*) and has determined it is categorically excluded under 23 CFR 771.117(c)(20), which applies to the promulgation of rules, regulations, and directives. Under section 9 of DOT Order 5610.1D (“DOT’s Procedures for Considering Environmental Impacts”), PHMSA may apply a categorical exclusion established in another Operating Administration’s procedures. PHMSA followed the requirements outlined in DOT Order 5610.1D to apply a categorical exclusion issued by the Federal Highway Administration (FHWA) to this deregulatory action. PHMSA does not anticipate any adverse environmental impacts from this rule, and PHMSA has determined no unusual circumstances are present under 23 CFR 771.117(b). PHMSA’s Categorical Exclusion Determination memo for this action is available on PHMSA’s website.²

I. Executive Order 13175

PHMSA analyzed this direct final rule according to the principles and criteria in E.O. 13175, *Consultation and Coordination with Indian Tribal Governments*, and DOT Order 5301.1A (“Department of Transportation Tribal Consultation Policies and Procedures”). E.O. 13175 requires agencies to assure meaningful and timely input from Tribal government representatives in the development of rules that significantly or uniquely affect Tribal communities by imposing “substantial direct compliance costs” or “substantial direct effects” on such communities or the relationship or distribution of power between the Federal Government and Tribes.

PHMSA assessed the impact of the direct final rule and determined that it will not significantly or uniquely affect Tribal communities or Indian Tribal governments. The rulemaking’s regulatory amendments have a broad, national scope; therefore, this direct final rule will not significantly or uniquely affect Tribal communities,

² DOT, *Implementing Procedures*, <https://www.phmsa.dot.gov/planning-and-analytics/environmental-analysis-and-compliance/implementing-procedures>.

much less impose substantial compliance costs on Native American Tribal governments or mandate Tribal action. For these reasons, PHMSA has concluded that the funding and consultation requirements of E.O. 13175 and DOT Order 5301.1A do not apply.

J. Paperwork Reduction Act

The Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*) and its implementing regulations at 5 CFR 1320.8(d) requires that PHMSA provide interested members of the public and affected agencies with an opportunity to comment on information collection and recordkeeping requests. This rulemaking will not create, amend, or rescind any existing information collections.

K. Executive Order 13609 and International Trade Analysis

E.O. 13609, *Promoting International Regulatory Cooperation*, requires agencies to consider whether the impacts associated with significant variations between domestic and international regulatory approaches are unnecessary or may impair the ability of American business to export and compete internationally. In meeting shared challenges involving health, safety, labor, security, environmental, and other issues, international regulatory cooperation can identify approaches that are at least as protective as those that are or would be adopted in the absence of such cooperation. International regulatory cooperation can also reduce, eliminate, or prevent unnecessary differences in regulatory requirements.

Similarly, the Trade Agreements Act of 1979 (Pub. L. 96–39), as amended by the Uruguay Round Agreements Act (Pub. L. 103–465), prohibits Federal agencies from establishing any standards or engaging in related activities that create unnecessary obstacles to the foreign commerce of the United States. For purposes of these requirements, Federal agencies may participate in the establishment of international standards, so long as the standards have a legitimate domestic objective, such as providing for safety, and do not operate to exclude imports that meet this objective. The statute also requires consideration of international standards and, where appropriate, that they be the basis for U.S. standards.

PHMSA engages with international standards setting bodies to protect the safety of the American public. PHMSA has assessed the effects of the direct final rule and has determined that its regulatory amendments will not cause unnecessary obstacles to foreign trade.

L. Cybersecurity and Executive Order 14028

E.O. 14028, *Improving the Nation's Cybersecurity*, directed the Federal Government to improve its efforts to identify, deter, and respond to “persistent and increasingly sophisticated malicious cyber campaigns.” PHMSA has considered the effects of the direct final rule and has determined that its regulatory amendments will not materially affect the cybersecurity risk profile for pipeline facilities.

List of Subjects in 49 CFR Part 195

Anhydrous ammonia, Carbon dioxide, Incorporation by reference, Petroleum, Pipeline safety.

For the reasons set forth above, PHMSA amends 49 CFR part 195 as follows:

PART 195—TRANSPORTATION OF HAZARDOUS LIQUIDS BY PIPELINE

■ 1. The authority citation for part 195 continues to read as follows:

Authority: 30 U.S.C. 185(w)(3), 49 U.S.C. 5103, 60101 *et seq.*, and 49 CFR 1.97.

■ 2. In § 195.3, revise paragraph (c)(3) to read as follows:

§ 195.3 What documents are incorporated by reference partly or wholly in this part?

* * * * *

(c) * * *

(3) ASME B31.4–2022, Pipeline Transportation Systems for Liquids and Slurries: ASME Code for Pressure Piping, B31, issued December 8, 2022, (ASME B31.4); IBR approved for § 195.110(a).

* * * * *

Issued in Washington, DC, on April 22, 2026, under the authority delegated in 49 CFR 1.97.

Paul J. Roberti,
Administrator.

[FR Doc. 2026–08053 Filed 4–23–26; 8:45 am]

BILLING CODE 4910–60–P

DEPARTMENT OF TRANSPORTATION

Pipeline and Hazardous Materials Safety Administration

49 CFR Part 195

[Docket No. PHMSA–2026–1532; Amdt. No. 195–121]

RIN 2137–AG36

Pipeline Safety: Standards Update—MSS SP–75

AGENCY: Pipeline and Hazardous Materials Safety Administration

(PHMSA), Department of Transportation (DOT).

ACTION: Direct final rule (DFR); request for comments.

SUMMARY: This DFR amends PHMSA's regulations to incorporate by reference an updated edition of industry standard MSS SP–75, High-Strength, Wrought, Butt-Welding Fittings. This updated standard will maintain or improve public safety, prevent regulatory confusion, reduce compliance burdens on stakeholders, and satisfy a mandate in the National Technology Transfer and Advancement Act (NTTAA) of 1995.

DATES: The DFR is effective January 1, 2027, unless adverse comments are received by June 23, 2026. If adverse comments are received, notification will be published in the **Federal Register** before the effective date withdrawing the rule and publishing a notice of proposed rulemaking to provide an additional opportunity for public comment. Compliance after June 23, 2026 is authorized. The incorporation by reference of certain material listed in this rule is approved by the Director of the Federal Register as of January 1, 2027.

ADDRESSES: You may submit comments identified by the Docket Number PHMSA–2026–1532 using any of the following methods:

E-Gov Web: <https://www.regulations.gov>. This site allows the public to enter comments on any **Federal Register** notice issued by any agency. Follow the online instructions for submitting comments.

Mail: Docket Management System: U.S. Department of Transportation, 1200 New Jersey Avenue SE, West Building Ground Floor, Room W12–140, Washington, DC 20590–0001.

Alternatively, hand delivery is available to this address between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

Fax: 1–202–493–2251.

For commenting instructions and additional information about commenting, see **SUPPLEMENTARY INFORMATION**.

FOR FURTHER INFORMATION CONTACT: Alyssa Imam, Transportation Specialist, 1200 New Jersey Avenue SE, Washington, DC 20590, by phone at 202–738–3850 or email at alyssa.imam@dot.gov.

SUPPLEMENTARY INFORMATION:

I. General Discussion

Through this DFR, PHMSA is incorporating by reference an update to a voluntary, consensus industry technical standard already incorporated

by reference within 49 CFR part 195. Specifically, PHMSA is updating the referenced edition of industry standard MSS SP-75 High Strength, Wrought, Butt-Welding Fittings to the 2025 edition (MSS SP-75).

MSS SP-75 covers factory-made, seamless, and electric welded carbon and low alloy steel, butt welding fittings for use in high pressure gas and oil transmission and distribution systems, including pipelines, compressor stations, metering and regulating stations, and mains.

A reference to the 2025 edition of the standard will replace the existing reference in § 195.118(a) to MSS SP-75–2019 Standard Practice, High Strength, Wrought, Butt-Welding Fittings, published December 2019.

This updated standard will maintain or improve public safety, prevent regulatory confusion, and reduce compliance burdens on stakeholders. The National Technology Transfer and Advancement Act (NTTAA) of 1995 (15 U.S.C. 272 (note)) directs Federal agencies to, “when practical and consistent with applicable laws, use technical standards developed by voluntary consensus standard bodies instead of government-developed technical standards.” Consistent with that mandate, PHMSA incorporates more than 80 industry standards by reference into the Federal Pipeline Safety Regulations (49 CFR parts 190–199); however, many standards become outdated over time as new editions become available. 49 U.S.C. 60102(l) directs PHMSA to update incorporated industry standards.

Updating these standards ensures better alignment of PHMSA’s regulations with innovations in operational and management practices, materials, testing, and technological advancements; enhances compliance by avoiding conflict between different versions of the same industry standards; and facilitates safety-focused allocation of resources by pipeline operators. PHMSA technical experts have evaluated the changes in the updated edition of MSS SP-75 and concluded it will either maintain or enhance the protection of public safety. These updates effectively mitigate safety gaps by incorporating innovations in equipment design, operational and maintenance practices, and testing, while addressing latent vulnerabilities that were historically unidentifiable due to the technical limitations of legacy data-gathering and monitoring capabilities. PHMSA further concludes that the direct final rule’s updated standard is technically feasible, reasonable, cost-effective, and

practicable because of its respective anticipated commercial and public safety benefits; and because the benefits better support PHMSA’s safety priorities compared to alternatives, thereby justifying any associated compliance costs.

Availability of Materials to Interested Parties

Pursuant to section 24 of the Pipeline Safety, Regulatory Certainty, and Job Creation Act of 2011 (Pub. L. 112–90, codified at 49 U.S.C. 60102(p)), “the Secretary may not issue a regulation pursuant to this chapter that incorporates any documents or portions thereof unless the documents or portions thereof are made available to the public, free of charge.” The standard incorporated in this direct final rule is available from the following website: <https://ibr.ansi.org/Standards/mss.aspx>. The material can also be obtained by interested parties through the applicable publisher contact information listed in § 195.3. Additional information regarding standards availability can be found at <https://www.phmsa.dot.gov/standards-rulemaking/pipeline/standards-incorporated-reference>.

Commenting Instructions: Please include the docket number PHMSA–2026–1532 at the beginning of your comments. If you submit your comments by mail, submit two copies. If you wish to receive confirmation that PHMSA received your comments, include a self-addressed stamped postcard. Internet users may submit comments at <https://www.regulations.gov>.

Note: Comments are posted without changes or edits to <https://www.regulations.gov>, including any personal information provided. There is a privacy statement published on <https://www.regulations.gov>.

Privacy Act: In accordance with 5 U.S.C. 553(c), DOT solicits comments from the public to inform its rulemaking process. DOT posts these comments, without edit, including any personal information the commenter provides, to our docket at <https://www.regulations.gov>. You may review DOT’s Complete Privacy Act Statement by visiting <https://www.dot.gov/privacy>.

Confidential Business Information: Confidential Business Information (CBI) is commercial or financial information that is both customarily and actually treated as private by its owner. Under the Freedom of Information Act (FOIA, 5 U.S.C. 552), CBI is exempt from public disclosure. It is important that you clearly designate the comments submitted as CBI if: your comments responsive to this document contain

commercial or financial information that is customarily treated as private; you actually treat such information as private; and your comment is relevant or responsive to this notice. Pursuant to 49 CFR 190.343, you may ask PHMSA to provide confidential treatment to information you give to the agency by taking the following steps: (1) mark each page of the original document submission containing CBI as “Confidential;” (2) send PHMSA, along with the original document, a second copy of the original document with the CBI deleted; and (3) explain why the information that you are submitting is CBI. Submissions containing CBI should be sent to Brianna Wilson, Standards and Rulemaking Division, Pipeline and Hazardous Materials Safety Administration (PHMSA), 2nd Floor, 1200 New Jersey Avenue SE, Washington, DC 20590–0001, or by email at brianna.wilson@dot.gov. Any materials PHMSA receives that is not specifically designated as CBI will be placed in the public docket.

Docket: For access to the docket to read background documents or comments received, go to <http://www.regulations.gov>. Follow the online instructions for accessing the docket. Alternatively, you may review the documents in person at the street address listed above.

II. Regulatory Analysis and Notices

A. Legal Authority

This direct final rule is published under the authority of the Secretary of Transportation set forth in the Federal Pipeline Safety Laws (49 U.S.C. 60101 *et seq.*) and delegated to the PHMSA Administrator pursuant to 49 CFR 1.97. PHMSA has determined that this direct final rule—which updates an industry standard already incorporated by reference into its regulations—is unlikely to elicit significant adverse comment. See 49 U.S.C. 60102(b)(6)(A). PHMSA similarly finds that publication of a proposed rulemaking on which comment is solicited would be “unnecessary” pursuant to section 553(b)(B) of the Administrative Procedure Act (5 U.S.C. 551 *et seq.*) because this rulemaking merely adopts an updated version of an industry standard reflecting a broad consensus among affected industry stakeholders.

B. Executive Order 12866

E.O. 12866, *Regulatory Planning and Review*, as implemented by DOT Order 2100.6B (“Policies and Procedures for Rulemaking”) and DOT Order 2100.7 (“Ensuring Reliance upon Sound Economic Analysis in Department of

Transportation Policies, Programs, and Activities”), requires agencies to regulate in the “most cost-effective manner,” to make a “reasoned determination that the benefits of the intended regulation justify its costs,” and to develop regulations that “impose the least burden on society.” In arriving at those conclusions, E.O. 12866 requires that agencies should consider “both quantifiable measures . . . and qualitative measures of costs and benefits that are difficult to quantify” and “maximize net benefits . . . unless a statute requires another regulatory approach.” E.O. 12866 also requires that “agencies should assess all costs and benefits of available regulatory alternatives, including the alternative of not regulating.” DOT Order 2100.6B directs that PHMSA and other Operating Administrations must generally choose the “least costly regulatory alternative that achieves the relevant objectives” unless required by law or compelling safety need. DOT Order 2100.6B also specifies that regulations should generally “not be issued unless their benefits are expected to exceed their costs” except where required by law or compelling safety need. DOT Order 2100.7 requires that “all rulemaking activities shall be based on sound economic principles and analysis supported by rigorous cost-benefit requirement.”

E.O. 12866 and DOT Order 2100.6B also require that PHMSA submit “significant regulatory actions” to the Office of Information and Regulatory Affairs (OIRA) within the Executive Office of the President’s Office of Management and Budget (OMB) for review. This final rule is a not significant regulatory action pursuant to E.O. 12866; OMB also has not designated this rule as a “major rule” as defined by the Congressional Review Act (5 U.S.C. 801 *et seq.*).

PHMSA has complied with the procedural and analytical requirements in E.O. 12866 as implemented by DOT Order 2100.6B and DOT Order 2100.7 and determined that this direct final rule may result in minimal cost savings by reducing regulatory burdens and regulatory uncertainty for pipeline facility operators. In general, updates to consensus industry standards are widely accepted and followed on a voluntary basis throughout most of the pipeline industry. PHMSA understands that most pipeline operators already purchase and voluntarily apply industry standards—including the updated standard that is the subject of this rulemaking—within their ordinary business practices. Incorporation of the updated version of the standard

referenced in this direct final rule will help ensure that the industry is not forced to incur the additional cost of complying with different versions of the same standard. The cost savings of this rulemaking could not be quantified.

Updating to a more recent edition of the standard will ensure better alignment of PHMSA’s regulations with innovations in operational and maintenance practices, equipment design, and testing. These updates address known safety risks, encourage facilities to invest in safety enhancing innovations, and improve public safety.

C. Executive Orders 14192 and Executive Order 14219

This direct final rule is considered a deregulatory action pursuant to E.O. 14192, *Unleashing Prosperity Through Deregulation*. PHMSA estimates that the total costs of the direct final rule on the regulated community will be less than zero. Nor do the regulatory amendments herein implicate any of the factors identified in section 2(a) of E.O. 14219, *Ensuring Lawful Governance and Implementing the President’s “Department of Government Efficiency” Deregulatory Initiative*, indicative that a regulation is “unlawful . . . [or] that undermine[s] the national interest.”

D. Energy-Related Executive Orders 13211, 14154, and 14156

The President has declared in E.O. 14156, *Declaring a National Energy Emergency*, a National emergency to address inadequate U.S. energy development production, transportation, refining, and generation capacity. Similarly, E.O. 14154, *Unleashing American Energy*, asserts a Federal policy to unleash American energy by ensuring access to abundant supplies of reliable, affordable energy from (inter alia) the removal of “undue burden[s]” on the identification, development, or use of domestic energy resources such as PHMSA-jurisdictional gasses and hazardous liquids. PHMSA finds this direct final rule is consistent with each of E.O. 14156 and E.O. 14154. The direct final rule will give affected pipeline operators the benefit of using the updated standard to maintain or improve public safety, prevent regulatory confusion, and reduce compliance burdens on stakeholders. PHMSA therefore expects the regulatory amendments in this direct final rule will in turn increase national pipeline transportation capacity and improve pipeline operators’ ability to provide abundant, reliable, affordable natural gas in response to residential, commercial, and industrial demand.

However, this direct final rule is not a “significant energy action” under E.O. 13211, *Actions Concerning Regulations That Significantly Affect Energy Supply, Distribution, or Use*, which requires Federal agencies to prepare a Statement of Energy Effects for any “significant energy action.” Because this direct final rule is not a significant action under E.O. 12866, it will not have a significant adverse effect on supply, distribution, or energy use.

E. Executive Order 13132: Federalism

PHMSA analyzed this direct final rule in accordance with the principles and criteria contained in E.O. 13132, *Federalism*, and the Presidential Memorandum (“Preemption”) published in the **Federal Register** on May 22, 2009. E.O. 13132 requires agencies to assure meaningful and timely input by State and local officials in the development of regulatory policies that may have “substantial direct effects on the States, on the relationship between the National Government and the States, or on the distribution of power and responsibilities among the various levels of government.”

While the direct final rule may operate to preempt some State requirements, it will not impose any regulation that has substantial direct effects on the States, the relationship between the National Government and the States, or the distribution of power and responsibilities among the various levels of government. Section 60104(c) of the Federal Pipeline Safety Laws prohibits certain State safety regulation of interstate pipelines. Under the Federal Pipeline Safety Laws, States that have submitted a current certification under section 60105(a) can augment Federal pipeline safety requirements for intrastate pipelines regulated by PHMSA but may not approve safety requirements less stringent than those required by Federal law. A State may also regulate an intrastate pipeline facility that PHMSA does not regulate. The preemptive effect of the regulatory amendments in this direct final rule is limited to the minimum level necessary to achieve the objectives of the Federal Pipeline Safety Laws. Therefore, the consultation and funding requirements of E.O. 13132 do not apply.

F. Regulatory Flexibility Act

The Regulatory Flexibility Act (RFA, 5 U.S.C. 601 *et seq.*) requires Federal agencies to conduct a Final Regulatory Flexibility Analysis (FRFA) for a final rule subject to notice-and-comment rulemaking, unless the agency certifies that the rule will not have a significant

economic impact on a substantial number of small entities. The RFA applies only to rules for which an agency is required to first publish a proposed rule (*see* 5 U.S.C. 603(a) and 604(a)). PHMSA is not required to publish a notice of proposed rulemaking for this DFR, so the RFA does not apply. However, PHMSA expects no affected operators will face significant costs because the referenced standard is widely available for purchase at relatively low cost, most operators are already in compliance with the content of the referenced standard, and compliance costs for any remaining operators are expected to be negligible.

G. Unfunded Mandates Reform Act of 1995

The Unfunded Mandates Reform Act (UMRA, 2 U.S.C. 1501 *et seq.*) requires agencies to assess the effects of Federal regulatory actions on State, local, and Tribal governments, and the private sector. For any proposed or direct final rule that includes a Federal mandate that may result in the expenditure by State, local, and Tribal governments, in the aggregate of \$100 million or more in 1996 dollars (\$203 million in 2024 dollars) in any given year, the agency must prepare, amongst other things, a written statement that qualitatively and quantitatively assesses the costs and benefits of the Federal mandate.

This direct final rule does not impose unfunded mandates under UMRA because it does not result in costs of \$100 million or more (in 1996 dollars) per year for either State, local, or Tribal governments, or to the private sector.

H. National Environmental Policy Act

PHMSA has analyzed this rule pursuant to the National Environmental Policy Act (NEPA, 42 U.S.C. 4321 *et seq.*) and has determined it is categorically excluded under 23 CFR 771.117(c)(20), which applies to the promulgation of rules, regulations, and directives. Under section 9 of DOT Order 5610.1D (“DOT’s Procedures for Considering Environmental Impacts”), PHMSA may apply a categorical exclusion established in another Operating Administration’s procedures. PHMSA followed the requirements outlined in DOT Order 5610.1D to apply a categorical exclusion issued by the Federal Highway Administration (FHWA) to this deregulatory action. PHMSA does not anticipate any adverse environmental impacts from this rule, and PHMSA has determined no unusual circumstances are present under 23 CFR 771.117(b). PHMSA’s Categorical Exclusion Determination memo for this

action is available on PHMSA’s website.¹

I. Executive Order 13175

PHMSA analyzed this direct final rule according to the principles and criteria in E.O. 13175, *Consultation and Coordination with Indian Tribal Governments*, and DOT Order 5301.1A (“Department of Transportation Tribal Consultation Policies and Procedures”). E.O. 13175 requires agencies to assure meaningful and timely input from Tribal government representatives in the development of rules that significantly or uniquely affect Tribal communities by imposing “substantial direct compliance costs” or “substantial direct effects” on such communities or the relationship or distribution of power between the Federal Government and Tribes.

PHMSA assessed the impact of the direct final rule and determined that it will not significantly or uniquely affect Tribal communities or Indian Tribal governments. The rulemaking’s regulatory amendments have a broad, national scope; therefore, this direct final rule will not significantly or uniquely affect Tribal communities, much less impose substantial compliance costs on Native American Tribal governments or mandate Tribal action. For these reasons, PHMSA has concluded that the funding and consultation requirements of E.O. 13175 and DOT Order 5301.1A do not apply.

J. Paperwork Reduction Act

The Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*) and its implementing regulations at 5 CFR 1320.8(d) requires that PHMSA provide interested members of the public and affected agencies with an opportunity to comment on information collection and recordkeeping requests. This rulemaking will not create, amend, or rescind any existing information collections.

K. Executive Order 13609 and International Trade Analysis

E.O. 13609, *Promoting International Regulatory Cooperation*, requires agencies to consider whether the impacts associated with significant variations between domestic and international regulatory approaches are unnecessary or may impair the ability of American business to export and compete internationally. In meeting shared challenges involving health, safety, labor, security, environmental,

¹ DOT, *Implementing Procedures*, <https://www.phmsa.dot.gov/planning-and-analytics/environmental-analysis-and-compliance/implementing-procedures>.

and other issues, international regulatory cooperation can identify approaches that are at least as protective as those that are or would be adopted in the absence of such cooperation. International regulatory cooperation can also reduce, eliminate, or prevent unnecessary differences in regulatory requirements.

Similarly, the Trade Agreements Act of 1979 (Pub. L. 96–39), as amended by the Uruguay Round Agreements Act (Pub. L. 103–465), prohibits Federal agencies from establishing any standards or engaging in related activities that create unnecessary obstacles to the foreign commerce of the United States. For purposes of these requirements, Federal agencies may participate in the establishment of international standards, so long as the standards have a legitimate domestic objective, such as providing for safety, and do not operate to exclude imports that meet this objective. The statute also requires consideration of international standards and, where appropriate, that they be the basis for U.S. standards.

PHMSA engages with international standards setting bodies to protect the safety of the American public. PHMSA has assessed the effects of the direct final rule and has determined that its regulatory amendments will not cause unnecessary obstacles to foreign trade.

L. Cybersecurity and Executive Order 14028

E.O. 14028, *Improving the Nation’s Cybersecurity*, directed the Federal Government to improve its efforts to identify, deter, and respond to “persistent and increasingly sophisticated malicious cyber campaigns.” PHMSA has considered the effects of the direct final rule and has determined that its regulatory amendments will not materially affect the cybersecurity risk profile for pipeline facilities.

List of Subjects in 49 CFR Part 195

Anhydrous ammonia, Carbon dioxide, Incorporation by reference, Petroleum, Pipeline safety.

For the reasons set forth above, PHMSA amends 49 CFR part 195 as follows:

PART 195—TRANSPORTATION OF HAZARDOUS LIQUIDS BY PIPELINE

■ 1. The authority citation for part 195 continues to read as follows:

Authority: 30 U.S.C. 185(w)(3), 49 U.S.C. 5103, 60101 *et seq.*, and 49 CFR 1.97.

■ 2. In § 195.3, revise paragraph (g) to read as follows:

§ 195.3 What documents are incorporated by reference partly or wholly in this part?

* * * * *

(g) Manufacturers Standardization Society of the Valve and Fittings Industry, Inc. (MSS), 441 N Lee Street, Alexandria, Virginia 2231; phone: (703) 281-6613; website: www.msshq.org/.

(1) MSS SP-75-2025 Standard Practice, High Strength, Wrought, Butt-Welding Fittings, published June 2025, (MSS SP-75); IBR approved for § 195.118(a).

(2) [Reserved]

* * * * *

Issued in Washington, DC, on April 22, 2026, under the authority delegated in 49 CFR 1.97.

Paul J. Roberti,
Administrator.

[FR Doc. 2026-08050 Filed 4-23-26; 8:45 am]

BILLING CODE 4910-60-P

DEPARTMENT OF TRANSPORTATION**Pipeline and Hazardous Materials Safety Administration****49 CFR Part 195**

[Docket No. PHMSA-2026-1520; Amdt. No. 195-118]

RIN 2137-AG24

Pipeline Safety: Clarifying Hazardous Liquid Pipeline Integrity Management Guidance

AGENCY: Pipeline and Hazardous Materials Safety Administration (PHMSA), Department of Transportation (DOT).

ACTION: Direct final rule (DFR); request for comments.

SUMMARY: This DFR makes corrections and clarifications to certain guidance for implementing an integrity management program on hazardous liquid and carbon dioxide pipelines.

DATES: The DFR is effective August 3, 2026, unless adverse comments are received by June 23, 2026. If adverse comments are received, notification will be published in the **Federal Register** before the effective date withdrawing the rule and publishing a notice of proposed rulemaking to provide an additional opportunity for public comment.

ADDRESSES: You may submit comments identified by the Docket Number PHMSA-2026-1520 using any of the following methods:

E-Gov Web: <https://www.regulations.gov>. This site allows the public to enter comments on any

Federal Register notice issued by any agency. Follow the online instructions for submitting comments.

Mail: Docket Management System: U.S. Department of Transportation, 1200 New Jersey Avenue SE, West Building Ground Floor, Room W12-140, Washington, DC 20590-0001.

Hand Delivery: U.S. DOT Docket Management System: 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.

For commenting instructions and additional information about commenting, see **SUPPLEMENTARY INFORMATION**.

FOR FURTHER INFORMATION CONTACT:

Sayler Palabrica, Transportation Specialist, 1200 New Jersey Avenue SE, Washington, DC 20590, 202-744-0825, sayler.palabrica@dot.gov.

SUPPLEMENTARY INFORMATION:**I. General Discussion**

Through this DFR, PHMSA is making corrections and clarifications to Appendix C to 49 CFR part 195. Appendix C provides guidance to operators for implementing integrity management (IM) requirements in §§ 195.450-195.454. This includes guidance on conditions an operator should consider when determining whether a hazardous liquid pipeline is located in or could-affect a High-Consequence Area (HCA), and therefore subject to IM requirements. It also includes guidance on identifying threats to the integrity of a pipeline.

This DFR finalizes revisions proposed in a prior deregulatory effort published in 2020 (85 FR 21140 (Apr. 16, 2020)) and addresses comments received in that proceeding. In response to a 2017 Notification of Regulatory Review (82 FR 45750 (Oct. 2, 2017)), stakeholders raised concerns with the guidance for considering the possibility of spilled product migrating via drainage tiles when determining whether a pipeline crossing an agricultural field could affect an HCA. In the same comment, stakeholders suggested that the guidance to consider physical support, operating pressure, and natural forces that are currently listed in the guidance for identifying HCAs should instead be listed with the guidance for identifying threats to pipeline integrity.

In the 2020 NPRM, PHMSA proposed to address these comments by clarifying that the recommended consideration of agricultural drainage tiles is based on information and knowledge available to the operator. PHMSA also proposed to

relocate the guidance to consider the physical support of the pipeline, maximum operating pressure exceedances, and natural force damage caused by earth movement or seismicity from the guidance for identifying segments that could-affect HCAs in section I.B of Appendix C to the guidance on identifying threats in section II.A. Finally, PHMSA proposed to clarify at the beginning of Appendix C that the document provides non-binding guidance, but if an operator incorporates it into their IM program, then they would have to comply with it. Public comments submitted in response to the NPRM were generally supportive of clarifying guidance, however a group of stakeholders commented that PHMSA must emphasize the need for site-specific flexibility and that the appendix is non-enforceable guidance (Docket No. PHMSA-2018-0047-0029). This proposal was otherwise non-controversial.

To address concerns raised by comments in response to the 2020 NPRM, this DFR omits language from the 2020 NPRM that suggested that Appendix C became mandatory if an operator elects to incorporate it into their IM programs or operations and maintenance (O&M) manuals. Appendix C remains non-binding guidance. While an operator is required to follow their written O&M manuals and IM programs, incorporating portions of Appendix C does not make any other portion of that document enforceable, nor is an operator prohibited from modifying elements in Appendix C when they choose to adapt them to their facility's IM plan provided it meets the minimum requirements in Part 195.

Commenting Instructions: Please include the docket number PHMSA-2026-1520 at the beginning of your comments. If you submit your comments by mail, submit two copies. If you wish to receive confirmation that PHMSA received your comments, include a self-addressed stamped postcard. Internet users may submit comments at <https://www.regulations.gov>.

Note: Comments are posted without changes or edits to <https://www.regulations.gov>, including any personal information provided. There is a privacy statement published on <https://www.regulations.gov>.

Privacy Act: In accordance with 5 U.S.C. § 553(c), DOT solicits comments from the public to inform its rulemaking process. DOT posts these comments, without edit, including any personal information the commenter provides, to <https://www.regulations.gov>, as

described in the system of records notice (DOT/ALL-14 FDMS), which can be reviewed at <https://www.dot.gov/privacy>.

Confidential Business Information: Confidential Business Information (CBI) is commercial or financial information that is both customarily and actually treated as private by its owner. Under the Freedom of Information Act (FOIA, 5 U.S.C. § 552), CBI is exempt from public disclosure. It is important that you clearly designate the comments submitted as CBI if: your comments responsive to this document contain commercial or financial information that is customarily treated as private; you actually treat such information as private; and your comment is relevant or responsive to this notice. Pursuant to 49 CFR 190.343, you may ask PHMSA to provide confidential treatment to information you give to the agency by taking the following steps: (1) mark each page of the original document submission containing CBI as “Confidential;” (2) send PHMSA, along with the original document, a second copy of the original document with the CBI deleted; and (3) explain why the information that you are submitting is CBI. Submissions containing CBI should be sent to Saylor Palabrica, Office of Pipeline Safety, Pipeline and Hazardous Materials Safety Administration (PHMSA), 2nd Floor, 1200 New Jersey Avenue SE, Washington, DC 20590–0001, or by email at saylor.palabrica@dot.gov. Any materials PHMSA receives that are not specifically designated as CBI will be placed in the public docket.

Docket: For access to the docket to read background documents or comments received, go to <http://www.regulations.gov>. Follow the online instructions for accessing the docket. Alternatively, you may review the documents in person at the street address listed above.

II. Regulatory Analysis and Notices

A. Legal Authority

This direct final rule is published under the authority of the Secretary of Transportation as set forth in the Federal Pipeline Safety Laws (49 U.S.C. 60101 *et seq.*) and delegated to the PHMSA Administrator pursuant to 49 CFR 1.97. Upon evaluation, and for the reasons explained above, PHMSA has determined that this direct final rule is unlikely to elicit significant adverse comment. *See* 49 U.S.C. 60102(b)(6)(A); 49 CFR 190.339. PHMSA similarly finds that publication of a proposed rulemaking on which comment is solicited would be “unnecessary” pursuant to section 553(b)(B) of the

Administrative Procedure Act (5 U.S.C. 551 *et seq.*) because this rulemaking merely adopts language previously recommended by stakeholders in response to a 2020 NPRM. Lastly, PHMSA notes that the amendments to Appendix C adopted in this rulemaking are more consistent with the non-binding character of that guidance to its IM regulations than alternative language that PHMSA had proposed in the 2020 NPRM.

B. Executive Order 12866

E.O. 12866, *Regulatory Planning and Review*, as implemented by DOT Order 2100.6B (“Policies and Procedures for Rulemaking”) and DOT Order 2100.7 (“Ensuring Reliance upon Sound Economic Analysis in Department of Transportation Policies, Programs, and Activities”), requires agencies to regulate in the “most cost-effective manner,” to make a “reasoned determination that the benefits of the intended regulation justify its costs,” and to develop regulations that “impose the least burden on society.” In arriving at those conclusions, E.O. 12866 requires that agencies should consider “both quantifiable measures . . . and qualitative measures of costs and benefits that are difficult to quantify” and “maximize net benefits . . . unless a statute requires another regulatory approach.” E.O. 12866 also requires that “agencies should assess all costs and benefits of available regulatory alternatives, including the alternative of not regulating.” DOT Order 2100.6B directs that PHMSA and other Operating Administrations must generally choose the “least costly regulatory alternative that achieves the relevant objectives” unless required by law or compelling safety need. DOT Order 2100.6B also specifies that regulations should generally “not be issued unless their benefits are expected to exceed their costs.” DOT Order 2100.7 requires that “all rulemaking activities shall be based on sound economic principles and analysis supported by rigorous cost-benefit requirement.”

E.O. 12866 and DOT Order 2100.6B also require that PHMSA submit “significant regulatory actions” to the Office of Information and Regulatory Affairs (OIRA) within the Executive Office of the President’s Office of Management and Budget (OMB) for review. This direct final rule is a not significant regulatory action pursuant to E.O. 12866; OMB also has not designated this rule as a “major rule” as defined by the Congressional Review Act (5 U.S.C. 801 *et seq.*).

PHMSA has complied with the procedural and analytical requirements

in E.O. 12866 as implemented by DOT Order 2100.6B and DOT Order 2100.7. In so doing, PHMSA has determined that this direct final rule will result in minimal cost savings by reducing regulatory uncertainty for pipeline facility operators in developing and implementing their IM plans. The cost savings of this rulemaking could not be quantified because PHMSA lacks information on operators’ baseline practices and how many fewer surveys would be required following this guidance. PHMSA also determined that this final rule will not have any adverse safety effects.

C. Executive Orders 14192 and 14219

This final rule will be a deregulatory action pursuant to E.O. 14192, *Unleashing Prosperity Through Deregulation*. PHMSA estimates that the total costs of the rule on the regulated community will be less than zero. Nor does this rulemaking implicate any of the factors identified in section 2(a) of E.O. 14219, *Ensuring Lawful Governance and Implementing the President’s “Department of Government Efficiency” Deregulatory Initiative*, indicative that a regulation is “unlawful . . . [or] that undermine[s] the national interest.”

D. Energy-Related Executive Orders 13211, 14154, and 14156

The President has declared in E.O. 14156, *Declaring a National Energy Emergency*, a national emergency to address America’s inadequate energy development production, transportation, refining, and generation capacity. Similarly, E.O. 14154, *Unleashing American Energy*, asserts a Federal policy to unleash American energy by ensuring access to abundant supplies of reliable, affordable energy from (inter alia) the removal of “undue burden[s]” on the identification, development, or use of domestic energy resources such as PHMSA-jurisdictional gasses and hazardous liquids. PHMSA finds this direct final rule is consistent with each of E.O. 14156 and E.O. 14154. The direct final rule clarifies non-binding guidance and therefore the benefits are primarily from regulatory certainty. To the extent guidance regarding considering drainage tiles caused operators to survey for such facilities, revising that guidance will reduce costs for hazardous liquid pipeline operators. PHMSA therefore expects the regulatory amendments in this direct final rule will in turn increase national pipeline transportation capacity and improve pipeline operators’ ability to provide abundant, reliable, affordable

petroleum, petroleum products, and other hazardous liquids in response to residential, commercial, and industrial demand.

However, this direct final rule is not a “significant energy action” under E.O. 13211, *Actions Concerning Regulations That Significantly Affect Energy Supply, Distribution, or Use*, which requires Federal agencies to prepare a Statement of Energy Effects for any “significant energy action.” Because this direct final rule is not a significant action under E.O. 12866, it will not have a significant adverse effect on supply, distribution, or energy use; OIRA has therefore not designated this direct final rule as a significant energy action.

E. Executive Order 13132: Federalism

PHMSA analyzed this direct final rule in accordance with the principles and criteria contained in E.O. 13132, *Federalism*, and the Presidential Memorandum (“Preemption”) published in the **Federal Register** on May 22, 2009. E.O. 13132 requires agencies to ensure meaningful and timely input by State and local officials in the development of regulatory policies that may have “substantial direct effects on the States, on the relationship between the National Government and the States, or on the distribution of power and responsibilities among the various levels of government.”

While the direct final rule may operate to preempt some State requirements, it will not impose any regulation that has substantial direct effects on the States, the relationship between the National Government and the States, or the distribution of power and responsibilities among the various levels of government. Section 60104(c) of the Federal Pipeline Safety Laws prohibits certain State safety regulation of interstate pipelines. Under the Federal Pipeline Safety Laws, States that have submitted a current certification under section 60105(a) can augment Federal pipeline safety requirements for intrastate pipelines regulated by PHMSA but may not approve safety requirements less stringent than those required by Federal law. A State may also regulate an intrastate pipeline facility that PHMSA does not regulate. The preemptive effect of the regulatory amendments in this direct final rule is limited to the minimum level necessary to achieve the objectives of the Federal Pipeline Safety Laws. Therefore, the consultation and funding requirements of E.O. 13132 do not apply.

F. Regulatory Flexibility Act

The Regulatory Flexibility Act (RFA, 5 U.S.C. 601 *et seq.*) requires Federal agencies to conduct a Final Regulatory Flexibility Analysis (FRFA) for a final rule subject to notice-and-comment rulemaking, unless the agency certifies that the rule will not have a significant economic impact on a substantial number of small entities. The RFA applies only to rules for which an agency is required to first publish a proposed rule (*see* 5 U.S.C. 603(a) and 604(a)). PHMSA is not required to publish a notice of proposed rulemaking for this DFR, so the RFA does not apply. However, PHMSA expects no affected operators will face significant costs because the rule only makes clarifying changes to the non-binding guidance found in Appendix C; indeed, those clarifications generally reinforce that Appendix C guidance does not prescribe mandatory requirements. Therefore, PHMSA certifies that this DFR will not have a significant economic impact on a substantial number of small entities.

G. Unfunded Mandates Reform Act of 1995

The Unfunded Mandates Reform Act (UMRA, 2 U.S.C. 1501 *et seq.*) requires agencies to assess the effects of Federal regulatory actions on State, local, and Tribal governments, and the private sector. For any proposed or direct final rule that includes a Federal mandate that may result in the expenditure by State, local, and Tribal governments, in the aggregate of \$100 million or more in 1996 dollars (\$203 million in 2024 dollars) in any given year, the agency must prepare, amongst other things, a written statement that qualitatively and quantitatively assesses the costs and benefits of the Federal mandate.

This direct final rule does not impose unfunded mandates under UMRA because it does not result in costs of \$100 million or more (in 1996 dollars) per year for either State, local, or Tribal governments, or to the private sector.

H. National Environmental Policy Act

The National Environmental Policy Act (NEPA, 42 U.S.C. § 4321 *et seq.*) requires that Federal agencies assess and consider the impact of major Federal actions on the human and natural environment.

PHMSA analyzed this direct final rule in accordance with NEPA and issues this Finding of No Significant Impact (FONSI), as it has determined that the rulemaking will not adversely affect safety and will not significantly affect the quality of the human and natural environment.

I. Executive Order 13175

PHMSA analyzed this direct final rule according to the principles and criteria in E.O. 13175, *Consultation and Coordination with Indian Tribal Governments*, and DOT Order 5301.1A (“Department of Transportation Tribal Consultation Policies and Procedures”). E.O. 13175 requires agencies to assure meaningful and timely input from Tribal government representatives in the development of rules that significantly or uniquely affect Tribal communities by imposing “substantial direct compliance costs” or “substantial direct effects” on such communities or the relationship or distribution of power between the Federal Government and Tribes.

PHMSA assessed the impact of the direct final rule and determined that it will not significantly or uniquely affect Tribal communities or Indian Tribal governments. The rulemaking’s regulatory amendments have a broad, national scope; therefore, this direct final rule will not significantly or uniquely affect Tribal communities, much less impose substantial compliance costs on Native American Tribal governments or mandate Tribal action. For these reasons, PHMSA has concluded that the funding and consultation requirements of E.O. 13175 and DOT Order 5301.1A do not apply.

J. Paperwork Reduction Act

The Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*) and its implementing regulations at 5 CFR 1320.8(d) requires that PHMSA provide interested members of the public and affected agencies with an opportunity to comment on information collection and recordkeeping requests. This rulemaking will not create nor rescind any existing information collections; however, this rulemaking provides for a 30-day comment period. After the effective date of the final rule, PHMSA will request amendment of the pertinent information collections consistent with Paperwork Reduction Act requirements and implementing guidance.

K. Executive Order 13609 and International Trade Analysis

E.O. 13609, *Promoting International Regulatory Cooperation*, requires agencies to consider whether the impacts associated with significant variations between domestic and international regulatory approaches are unnecessary or may impair the ability of American business to export and compete internationally. In meeting shared challenges involving health, safety, labor, security, environmental,

and other issues, international regulatory cooperation can identify approaches that are at least as protective as those that are or would be adopted in the absence of such cooperation. International regulatory cooperation can also reduce, eliminate, or prevent unnecessary differences in regulatory requirements.

Similarly, the Trade Agreements Act of 1979 (Pub. L. 96–39), as amended by the Uruguay Round Agreements Act (Pub. L. 103–465), prohibits Federal agencies from establishing any standards or engaging in related activities that create unnecessary obstacles to the foreign commerce of the United States. For purposes of these requirements, Federal agencies may participate in the establishment of international standards, so long as the standards have a legitimate domestic objective, such as providing for safety, and do not operate to exclude imports that meet this objective. The statute also requires consideration of international standards and, where appropriate, that they be the basis for U.S. standards.

PHMSA engages with international standards setting bodies to protect the safety of the American public. PHMSA has assessed the effects of the direct final rule and has determined that its regulatory amendments will not cause unnecessary obstacles to foreign trade.

L. Cybersecurity and Executive Order 14028

E.O. 14028, *Improving the Nation's Cybersecurity*, directed the Federal Government to improve its efforts to identify, to deter, and to respond to “persistent and increasingly sophisticated malicious cyber campaigns.” PHMSA has considered the effects of the direct final rule and has determined that its regulatory amendments will not materially affect the cybersecurity risk profile for pipeline facilities.

List of Subjects in 49 CFR Part 195

Pipeline Safety.

For the reasons set forth above, PHMSA amends 49 CFR part 195 as follows:

PART 195—TRANSPORTATION OF HAZARDOUS LIQUIDS BY PIPELINE

■ 1. The authority citation for 49 CFR Part 195 continues to read as follows:

Authority: 30 U.S.C. 185(w)(3), 49 U.S.C. 5103, 60101 *et seq.*, and 49 CFR 1.97.

■ 2. Amend Appendix C to Part 195 as follows:

■ a. Revise the introductory text of Appendix C to Part 195;

■ b. Republish the introductory text of paragraph I, revise paragraphs I.B(3) and (6) through (11), and remove paragraph I.B(12); and

■ c. Republish the introductory text of paragraph II, and revise paragraphs II.A(11), (15), and (17).

The revisions and republications read as follows:

Appendix C to Part 195—Guidance for Implementation of an Integrity Management Program

This appendix gives guidance to help an operator implement integrity management program requirements in §§ 195.450 and 195.452. This appendix is intended to give advice to operators on how to implement the requirements of the integrity management requirements. This appendix is not legally binding and conformity with this appendix is voluntary only. Guidance is provided on:

(1) Information an operator may use to identify a high consequence area and factors an operator can use to consider the potential impacts of a release on an area;

(2) Risk factors an operator can use to determine an integrity assessment schedule;

(3) Safety risk indicator tables for leak history, volume or line size, age of pipeline, and product transported, an operator may use to determine if a pipeline segment falls into a high, medium, or low risk category;

(4) Types of internal inspection tools an operator could use to find pipeline anomalies;

(5) Measures an operator could use to measure an integrity management program's performance;

(6) Types of records an operator will have to maintain; and

(7) Types of conditions that an integrity assessment may identify that an operator should include in its required schedule for evaluation and remediation.

I. Identifying a high consequence area and factors for considering a pipeline segment's potential impact on a high consequence area.

B. * * *

(3) Crossing of farm tile fields. Using available information and knowledge, an operator should consider the possibility of spillage in a field following a drain tile into a waterway.

* * * * *

(6) Operating conditions of the pipeline (pressure, flow, mode of operation, etc.).

(7) The hydraulic gradient of the pipeline.

(8) The diameter of the pipeline, the potential release volume, and the distance between the isolation points.

(9) Potential physical pathways between the pipeline and the high-consequence area.

(10) Response capability (time to respond, nature of response).

(11) Potential of terrain and waterways to be flooded and serve as a conduit to a high consequence area.

II. Risk factors for establishing frequency of assessment.

A. * * *

(11) Location related to potential flooding or ground movement (*e.g.*, flood zones, seismic faults, rock quarries, and coal mines); climatic (permafrost causes settlement—Alaska); geologic (earthquakes, landslides, or subsidence areas).

* * * * *

(15) Operating conditions of the pipeline (pressure, stress levels, flow rate, etc.). Consider if the pipeline has been exposed to an operating pressure exceeding the established maximum operating pressure.

* * * * *

(17) Physical support of the pipeline segment such as by a cable suspension bridge. An operator should look for stress indicators on the pipeline (strained supports, inadequate support at towers), atmospheric corrosion, vandalism, and other obvious signs of improper maintenance.

* * * * *

Issued in Washington, DC, on April 22, 2026, under the authority delegated in 49 CFR 1.97.

Paul J. Roberti,
Administrator.

[FR Doc. 2026–08074 Filed 4–23–26; 8:45 am]

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DEPARTMENT OF TRANSPORTATION

Pipeline and Hazardous Materials Safety Administration

49 CFR Part 195

[Docket No. PHMSA–2026–1545; Amdt. No. 195–125]

RIN 2137–AG49

Pipeline Safety: Editorial Correction to Requirements for Low-Stress Hazardous Liquid Pipelines in Rural Areas

AGENCY: Pipeline and Hazardous Materials Safety Administration (PHMSA), Department of Transportation (DOT).

ACTION: Final rule.

SUMMARY: This final rule makes certain editorial corrections to the requirements for low-stress hazardous liquid pipelines in rural areas.

DATES: This rule is effective August 3, 2026.

FOR FURTHER INFORMATION CONTACT:

Angela Hill, Transportation Specialist, 1200 New Jersey Avenue SE, Washington, DC 20590, 202–680–2034, angela.hill@dot.gov.

SUPPLEMENTARY INFORMATION: In this final rule, PHMSA is making certain editorial corrections and non-substantive changes to the requirements for assessing newly identified unusually sensitive areas for low-stress pipelines in rural areas. Specifically, PHMSA is revising § 195.12(e)(1)(ii) to correct an erroneous citation that identifies when operators are required to complete baseline assessments. Section 195.12(e)(1)(ii) requires operators to complete the baseline assessment required by paragraph (c)(1)(iii)(C) or (c)(2)(iii)(C) of § 195.12, as appropriate, according to the schedule set forth in § 195.452(d)(3). Since § 195.452(d)(3) does not exist, PHMSA is revising § 195.12(e)(1)(ii) to correct the citation. Operators should complete their baseline assessments, as appropriate, according to the schedule set forth in § 195.452(d).

Regulatory Analyses and Notices

A. Legal Authority

This final rule is published under the authority of the Secretary of Transportation set forth in the Federal Pipeline Safety Laws (49 U.S.C. 60101 *et seq.*) and delegated to the PHMSA Administrator pursuant to 49 CFR 1.97. PHMSA has good cause under 5 U.S.C. 553(b)(B) to issue this final rule without prior notice and comment. The regulatory citation listed in § 195.12(e)(1)(ii) that identifies when operators are required to complete baseline assessments is incorrect. PHMSA is simply revising the Federal Pipeline Safety Regulations to correct the error. PHMSA finds that notice and comment is unnecessary because this revision is editorial in nature and does not impose any new requirements.

B. Executive Order 12866

E.O. 12866, *Regulatory Planning and Review*, as implemented by DOT Order 2100.6B (“Policies and Procedures for Rulemaking”) and DOT Order 2100.7 (“Ensuring Reliance upon Sound Economic Analysis in Department of Transportation Policies, Programs, and Activities”), requires agencies to regulate in the “most cost-effective manner,” to make a “reasoned

determination that the benefits of the intended regulation justify its costs,” and to develop regulations that “impose the least burden on society.” In arriving at those conclusions, E.O. 12866 requires that agencies should consider “both quantifiable measures . . . and qualitative measures of costs and benefits that are difficult to quantify” and “maximize net benefits . . . unless a statute requires another regulatory approach.” E.O. 12866 also requires that “agencies should assess all costs and benefits of available regulatory alternatives, including the alternative of not regulating.” DOT Order 2100.6B directs that PHMSA and other Operating Administrations must generally choose the “least costly regulatory alternative that achieves the relevant objectives” unless required by law or compelling safety need. DOT Order 2100.6B also specifies that regulations should generally “not be issued unless their benefits are expected to exceed their costs” except where required by law or compelling safety need. DOT Order 2100.7 requires that “all rulemaking activities shall be based on sound economic principles and analysis supported by rigorous cost-benefit requirement.”

E.O. 12866 and DOT Order 2100.6B also require that PHMSA submit “significant regulatory actions” to the Office of Information and Regulatory Affairs (OIRA) within the Executive Office of the President’s Office of Management and Budget (OMB) for review. This final rule is a not significant regulatory action pursuant to E.O. 12866; OMB also has not designated this rule as a “major rule” as defined by the Congressional Review Act (5 U.S.C. 801 *et seq.*).

PHMSA has complied with the procedural and analytical requirements in E.O. 12866 as implemented by DOT Order 2100.6B and DOT Order 2100.7. This final rule does not impose new burdens, as the changes made therein are non-substantive and do not impose new requirements in the Federal Pipeline Safety Regulations. Similarly, the final rule does not have any adverse effects on safety.

C. Executive Orders 14192 and 14219

This final rule is considered a deregulatory action pursuant to E.O. 14192, *Unleashing Prosperity Through Deregulation*. PHMSA estimates that the total costs of the rule on the regulated community will be *de minimis*. The non-substantive changes of this rulemaking do not impose any new requirements on pipeline operators and should improve the clarity and compliance with the Federal Pipeline

Safety Regulations. Nor does this rule implicate any of the factors identified in section 2(a) of E.O. 14219, *Ensuring Lawful Governance and Implementing the President’s “Department of Government Efficiency” Deregulatory Initiative*, indicative that a regulation is “unlawful . . . [or] that undermine[s] the national interest.”

D. Energy-Related Executive Orders 13211, 14154, and 14156

The President has declared in E.O. 14156, *Declaring a National Energy Emergency*, a National emergency to address America’s inadequate energy development production, transportation, refining, and generation capacity. Similarly, E.O. 14154, *Unleashing American Energy*, asserts a Federal policy to unleash American energy by ensuring access to abundant supplies of reliable, affordable energy from (inter alia) the removal of “undue burden[s]” on the identification, development, or use of domestic energy resources such as PHMSA-jurisdictional gases and hazardous liquids. PHMSA finds this final rule is consistent with each of E.O. 14156 and E.O. 14154. The final rule will correct an erroneous citation that specifies when an operator of a low-stress pipeline in a rural area, who identifies a new unusually sensitive area, must complete a baseline assessment. The provisions of this final rule are not substantive and will not impose new requirements on pipeline operators; they are intended to promote the ease of operators complying with the existing regulations.

This final rule is not a “significant energy action” under E.O. 13211, *Actions Concerning Regulations That Significantly Affect Energy Supply, Distribution, or Use*, which requires Federal agencies to prepare a Statement of Energy Effects for any “significant energy action.” Because this final rule is not a significant action under E.O. 12866, it will not have a significant adverse effect on supply, distribution, or energy use.

E. Executive Order 13132: Federalism

PHMSA analyzed this final rule in accordance with the principles and criteria contained in E.O. 13132, *Federalism*, and the Presidential Memorandum (“Preemption”) published in the **Federal Register** on May 22, 2009. E.O. 13132 requires agencies to assure meaningful and timely input by State and local officials in the development of regulatory policies that may have “substantial direct effects on the States, on the relationship between the National Government and the States, or on the

distribution of power and responsibilities among the various levels of government.”

While the final rule may operate to preempt some State requirements, it would not impose any regulation that has substantial direct effects on the States, the relationship between the National Government and the States, or the distribution of power and responsibilities among the various levels of government. Section 60104(c) of the Federal Pipeline Safety Laws prohibits certain State safety regulation of interstate pipelines. Under the Federal Pipeline Safety Laws, States that have submitted a current certification under section 60105(a) can augment Federal pipeline safety requirements for intrastate pipelines regulated by PHMSA but may not approve safety requirements less stringent than those required by Federal law. A State may also regulate an intrastate pipeline facility that PHMSA does not regulate. The preemptive effect of the regulatory amendments in this final rule is limited to the minimum level necessary to achieve the objectives of the Federal Pipeline Safety Laws. Therefore, the consultation and funding requirements of E.O. 13132 do not apply.

F. Regulatory Flexibility Act

The Regulatory Flexibility Act (RFA, 5 U.S.C. 601 *et seq.*) requires Federal agencies to conduct a Final Regulatory Flexibility Analysis (FRFA) for a final rule subject to notice-and-comment rulemaking, unless the agency certifies that the rule will not have a significant economic impact on a substantial number of small entities. The RFA applies only to rules for which an agency is required to first publish a proposed rule (*see* 5 U.S.C. 603(a) and 604(a)). PHMSA is not required to publish a notice of proposed rulemaking for this final rule, so the RFA does not apply. However, PHMSA expects no affected operators will face significant costs from the regulatory amendments introduced here, as they are editorial and non-substantive in nature.

G. Unfunded Mandates Reform Act of 1995

The Unfunded Mandates Reform Act (UMRA, 2 U.S.C. 1501 *et seq.*) requires agencies to assess the effects of Federal regulatory actions on State, local, and Tribal governments, and the private sector. For any proposed or final rule that includes a Federal mandate that may result in the expenditure by State, local, and Tribal governments, in the aggregate of \$100 million or more in 1996 dollars (\$203 million in 2024) in any given year, the agency must

prepare, amongst other things, a written statement that qualitatively and quantitatively assesses the costs and benefits of the Federal mandate.

This final rule does not impose unfunded mandates under UMRA because it does not result in costs of \$100 million or more (in 1996 dollars) per year for either State, local, or Tribal governments, or to the private sector.

H. National Environmental Policy Act

PHMSA has analyzed this rule pursuant to the National Environmental Policy Act (NEPA, 42 U.S.C. 4321 *et seq.*) and has determined it is categorically excluded under 23 CFR 771.117(c)(20), which applies to the promulgation of rules, regulations, and directives. Under section 9 of DOT Order 5610.1D (“DOT’s Procedures for Considering Environmental Impacts”), PHMSA may apply a categorical exclusion established in another Operating Administration’s procedures. PHMSA followed the requirements outlined in DOT Order 5610.1D to apply a categorical exclusion issued by the Federal Highway Administration (FHWA) to this deregulatory action. PHMSA does not anticipate any adverse environmental impacts from this rule, and PHMSA has determined no unusual circumstances are present under 23 CFR 771.117(b). PHMSA’s Categorical Exclusion Determination memo for this action is available on PHMSA’s website.¹

I. Executive Order 13175

PHMSA analyzed this final rule according to the principles and criteria in E.O. 13175, *Consultation and Coordination with Indian Tribal Governments*, and DOT Order 5301.1A (“Department of Transportation Tribal Consultation Policies and Procedures”). E.O. 13175 requires agencies to assure meaningful and timely input from Tribal government representatives in the development of rules that significantly or uniquely affect Tribal communities by imposing “substantial direct compliance costs” or “substantial direct effects” on such communities or the relationship or distribution of power between the Federal Government and Tribes.

PHMSA assessed the impact of the final rule and determined that it will not significantly or uniquely affect Tribal communities or Indian Tribal governments. The rulemaking’s regulatory amendments have a broad, national scope; therefore, this final rule

will not significantly or uniquely affect Tribal communities, much less impose substantial compliance costs on Native American Tribal governments or mandate Tribal action. For these reasons, PHMSA has concluded that the funding and consultation requirements of E.O. 13175 and DOT Order 5301.1A do not apply.

J. Paperwork Reduction Act

The Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*) and its implementing regulations at 5 CFR 1320.8(d) requires that PHMSA provide interested members of the public and affected agencies with an opportunity to comment on information collection and recordkeeping requests. This rulemaking will not create, amend, or rescind any existing information collections.

K. Executive Order 13609 and International Trade Analysis

E.O. 13609, *Promoting International Regulatory Cooperation*, requires agencies consider whether the impacts associated with significant variations between domestic and international regulatory approaches are unnecessary or may impair the ability of American business to export and compete internationally. In meeting shared challenges involving health, safety, labor, security, environmental, and other issues, international regulatory cooperation can identify approaches that are at least as protective as those that are or would be adopted in the absence of such cooperation. International regulatory cooperation can also reduce, eliminate, or prevent unnecessary differences in regulatory requirements.

Similarly, the Trade Agreements Act of 1979 (Pub. L. 96–39), as amended by the Uruguay Round Agreements Act (Pub. L. 103–465), prohibits Federal agencies from establishing any standards or engaging in related activities that create unnecessary obstacles to the foreign commerce of the United States. For purposes of these requirements, Federal agencies may participate in the establishment of international standards, so long as the standards have a legitimate domestic objective, such as providing for safety, and do not operate to exclude imports that meet this objective. The statute also requires consideration of international standards and, where appropriate, that they be the basis for U.S. standards.

PHMSA engages with international standards setting bodies to protect the safety of the American public. PHMSA has assessed the effects of the final rule and has determined that its regulatory

¹ PHMSA, *Implementing Procedures*, <https://www.phmsa.dot.gov/planning-and-analytics/environmental-analysis-and-compliance/implementing-procedures>.

amendments will not cause unnecessary obstacles to foreign trade.

L. Cybersecurity and Executive Order 14028

E.O. 14028, *Improving the Nation's Cybersecurity*, directs the Federal Government to improve its efforts to identify, deter, and respond to “persistent and increasingly sophisticated malicious cyber campaigns.” PHMSA has considered the effects of the final rule and has determined that its regulatory amendments will not materially affect the cybersecurity risk profile for pipeline facilities.

List of Subjects in 49 CFR Part 195

Hazardous liquid, Pipeline safety.

In consideration of the foregoing, PHMSA amends 49 CFR part 195 as follows:

PART 195—TRANSPORTATION OF HAZARDOUS LIQUIDS BY PIPELINE

■ 1. The authority citation for 49 CFR part 195 continues to read as follows:

Authority: 30 U.S.C. 185(w)(3), 49 U.S.C. 5103, 60101 *et seq.*, and 49 CFR 1.97.

■ 2. In § 195.12, revise paragraph (e)(1)(ii) to read as follows:

§ 195.12 What requirements apply to low-stress pipelines in rural areas?

* * * * *

(e) * * *

(1) * * *

(ii) Complete the baseline assessment required by paragraph (c)(1)(iii)(C) or (c)(2)(iii)(C) of this section, as appropriate, according to the schedule in § 195.452(d).

* * * * *

Issued in Washington, DC, on April 22, 2026, under the authority delegated in 49 CFR 1.97.

Paul J. Roberti,
Administrator.

[FR Doc. 2026–08063 Filed 4–23–26; 8:45 am]

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DEPARTMENT OF TRANSPORTATION

Pipeline and Hazardous Materials Safety Administration

49 CFR Part 195

[Docket No. PHMSA–2026–1546; Amdt. No. 195–126]

RIN 2137–AG50

Pipeline Safety: Removing Obsolete Provision From Safety-Related Condition Reporting Requirements for Hazardous Liquid and Carbon Dioxide Pipeline Facilities

AGENCY: Pipeline and Hazardous Materials Safety Administration (PHMSA), Department of Transportation (DOT).

ACTION: Final rule.

SUMMARY: This final rule makes certain editorial corrections and non-substantive changes to the requirements for filing safety-related condition reports in 49 CFR 195.56.

DATES: This rule is effective August 3, 2026.

FOR FURTHER INFORMATION CONTACT:

Angela Hill, Transportation Specialist, 1200 New Jersey Avenue SE, Washington, DC 20590, 202–680–2034, angela.hill@dot.gov.

SUPPLEMENTARY INFORMATION: In this final rule, PHMSA is making certain editorial corrections and non-substantive changes to the safety-related condition reporting requirements in 49 CFR 195.56. Specifically, § 195.56(a) gives operators the option to file a safety-related condition report by email or by facsimile. PHMSA no longer allows operators to file a safety-related condition report by facsimile. PHMSA is therefore revising § 195.56(a) to remove all references to filing a safety-related condition report by facsimile. Safety-related condition reports must be filed by email to InformationResourcesManager@dot.gov. This correction will remove unnecessary delays in the process of operators filing a safety-related condition report.

Regulatory Analyses and Notices

A. Legal Authority

This final rule is published under the authority of the Secretary of Transportation set forth in the Federal Pipeline Safety Laws (49 U.S.C. 60101 *et seq.*) and delegated to the PHMSA Administrator pursuant to 49 CFR 1.97. PHMSA has good cause under 5 U.S.C. 553(b)(B) to issue this final rule without prior notice and comment. PHMSA no

longer accepts safety-related condition reports by facsimile and is simply revising the safety-related condition reporting requirements in § 195.56(a) to account for that fact. PHMSA finds that notice and comment is unnecessary because the facsimile number in § 195.56(a) is obsolete and serves no useful purpose.

B. Executive Order 12866

E.O. 12866, *Regulatory Planning and Review*, as implemented by DOT Order 2100.6B (“Policies and Procedures for Rulemaking”) and DOT Order 2100.7 (“Ensuring Reliance upon Sound Economic Analysis in Department of Transportation Policies, Programs, and Activities”), requires agencies to regulate in the “most cost-effective manner,” to make a “reasoned determination that the benefits of the intended regulation justify its costs,” and to develop regulations that “impose the least burden on society.” In arriving at those conclusions, E.O. 12866 requires that agencies should consider “both quantifiable measures . . . and qualitative measures of costs and benefits that are difficult to quantify” and “maximize net benefits . . . unless a statute requires another regulatory approach.” E.O. 12866 also requires that “agencies should assess all costs and benefits of available regulatory alternatives, including the alternative of not regulating.” DOT Order 2100.6B directs that PHMSA and other Operating Administrations must generally choose the “least costly regulatory alternative that achieves the relevant objectives” unless required by law or compelling safety need. DOT Order 2100.6B also specifies that regulations should generally “not be issued unless their benefits are expected to exceed their costs” except where required by law or compelling safety need. DOT Order 2100.7 requires that “all rulemaking activities shall be based on sound economic principles and analysis supported by rigorous cost-benefit requirement.”

E.O. 12866 and DOT Order 2100.6B also require that PHMSA submit “significant regulatory actions” to the Office of Information and Regulatory Affairs (OIRA) within the Executive Office of the President’s Office of Management and Budget (OMB) for review. This final rule is a not significant regulatory action pursuant to E.O. 12866; OMB also has not designated this rule as a “major rule” as defined by the Congressional Review Act (5 U.S.C. 801 *et seq.*).

PHMSA has complied with the procedural and analytical requirements in E.O. 12866 as implemented by DOT

Order 2100.6B and DOT Order 2100.7. This final rule does not impose new burdens. The changes made are not substantive and do not impose new requirements in the Federal Pipeline Safety Regulations. Similarly, the final rule does not have any adverse effects on safety.

C. Executive Orders 14192 and 14219

This final rule is considered a deregulatory action pursuant to E.O. 14192, *Unleashing Prosperity Through Deregulation*. PHMSA estimates that the total costs of the rule on the regulated community will be *de minimis*. This final rule requires operators to file a safety-related condition exclusively by email. The non-substantive changes of this rulemaking do not impose any new requirements on pipeline operators and should improve the clarity and compliance with the Federal Pipeline Safety Regulations. Nor does this rule implicate any of the factors identified in section 2(a) of E.O. 14219, *Ensuring Lawful Governance and Implementing the President's "Department of Government Efficiency" Deregulatory Initiative*, indicative that a regulation is "unlawful . . . [or] that undermine[s] the national interest."

D. Energy-Related Executive Orders 13211, 14154, and 14156

The President has declared in E.O. 14156, *Declaring a National Energy Emergency*, a National emergency to address America's inadequate energy development production, transportation, refining, and generation capacity. Similarly, E.O. 14154, *Unleashing American Energy*, asserts a Federal policy to unleash American energy by ensuring access to abundant supplies of reliable, affordable energy from (inter alia) the removal of "undue burden[s]" on the identification, development, or use of domestic energy resources such as PHMSA-jurisdictional gases and hazardous liquids. PHMSA finds this final rule is consistent with each of E.O. 14156 and E.O. 14154. The final rule will clarify how to file a safety-related condition report in accordance with § 195.56 by removing language pertaining to filing safety-related condition reports by facsimile. The provisions of this final rule are not substantive and will not impose new requirements on pipeline operators; they are intended to promote the ease of operators complying with the existing regulations.

This final rule is not a "significant energy action" under E.O. 13211, *Actions Concerning Regulations That Significantly Affect Energy Supply, Distribution, or Use*, which requires

Federal agencies to prepare a Statement of Energy Effects for any "significant energy action." Because this final rule is not a significant action under E.O. 12866, it will not have a significant adverse effect on supply, distribution, or energy use.

E. Executive Order 13132: Federalism

PHMSA analyzed this final rule in accordance with the principles and criteria contained in E.O. 13132, *Federalism*, and the Presidential Memorandum ("Preemption") published in the **Federal Register** on May 22, 2009. E.O. 13132 requires agencies to assure meaningful and timely input by State and local officials in the development of regulatory policies that may have "substantial direct effects on the States, on the relationship between the National Government and the States, or on the distribution of power and responsibilities among the various levels of government."

While the final rule may operate to preempt some State requirements, it would not impose any regulation that has substantial direct effects on the States, the relationship between the National Government and the States, or the distribution of power and responsibilities among the various levels of government. Section 60104(c) of the Federal Pipeline Safety Laws prohibits certain State safety regulation of interstate pipelines. Under the Federal Pipeline Safety Laws, States that have submitted a current certification under section 60105(a) can augment Federal pipeline safety requirements for intrastate pipelines regulated by PHMSA but may not approve safety requirements less stringent than those required by Federal law. A State may also regulate an intrastate pipeline facility that PHMSA does not regulate. The preemptive effect of the regulatory amendments in this final rule is limited to the minimum level necessary to achieve the objectives of the Federal Pipeline Safety Laws. Therefore, the consultation and funding requirements of E.O. 13132 do not apply.

F. Regulatory Flexibility Act

The Regulatory Flexibility Act (RFA, 5 U.S.C. 601 *et seq.*) requires Federal agencies to conduct a Final Regulatory Flexibility Analysis (FRFA) for a final rule subject to notice-and-comment rulemaking, unless the agency certifies that the rule will not have a significant economic impact on a substantial number of small entities. The RFA applies only to rules for which an agency is required to first publish a proposed rule (see 5 U.S.C. 603(a) and

604(a)). PHMSA is not required to publish a notice of proposed rulemaking for this final rule, so the RFA does not apply. However, PHMSA expects no affected operators will face significant costs from the regulatory amendments introduced here, as they are editorial and non-substantive in nature.

G. Unfunded Mandates Reform Act of 1995

The Unfunded Mandates Reform Act (UMRA, 2 U.S.C. 1501 *et seq.*) requires agencies to assess the effects of Federal regulatory actions on State, local, and Tribal governments, and the private sector. For any proposed or final rule that includes a Federal mandate that may result in the expenditure by State, local, and Tribal governments, in the aggregate of \$100 million or more in 1996 dollars (\$203 million in 2024) in any given year, the agency must prepare, amongst other things, a written statement that qualitatively and quantitatively assesses the costs and benefits of the Federal mandate.

This final rule does not impose unfunded mandates under UMRA because it does not result in costs of \$100 million or more (in 1996 dollars) per year for either State, local, or Tribal governments, or to the private sector.

H. National Environmental Policy Act

PHMSA has analyzed this rule pursuant to the National Environmental Policy Act (NEPA, 42 U.S.C. 4321 *et seq.*) and has determined it is categorically excluded under 23 CFR 771.117(c)(20), which applies to the promulgation of rules, regulations, and directives. Under section 9 of DOT Order 5610.1D ("DOT's Procedures for Considering Environmental Impacts"), PHMSA may apply a categorical exclusion established in another Operating Administration's procedures. PHMSA followed the requirements outlined in DOT Order 5610.1D to apply a categorical exclusion issued by the Federal Highway Administration (FHWA) to this deregulatory action. PHMSA does not anticipate any adverse environmental impacts from this rule, and PHMSA has determined no unusual circumstances are present under 23 CFR 771.117(b). PHMSA's Categorical Exclusion Determination memo for this action is available on PHMSA's website.¹

I. Executive Order 13175

PHMSA analyzed this final rule according to the principles and criteria

¹ PHMSA, *Implementing Procedures*, <https://www.phmsa.dot.gov/planning-and-analytics/environmental-analysis-and-compliance/implementing-procedures>.

in E.O. 13175, *Consultation and Coordination with Indian Tribal Governments*, and DOT Order 5301.1A (“Department of Transportation Tribal Consultation Policies and Procedures”). E.O. 13175 requires agencies to assure meaningful and timely input from Tribal government representatives in the development of rules that significantly or uniquely affect Tribal communities by imposing “substantial direct compliance costs” or “substantial direct effects” on such communities or the relationship or distribution of power between the Federal Government and Tribes.

PHMSA assessed the impact of the final rule and determined that it will not significantly or uniquely affect Tribal communities or Indian Tribal governments. The rulemaking’s regulatory amendments have a broad, national scope; therefore, this final rule will not significantly or uniquely affect Tribal communities, much less impose substantial compliance costs on Native American Tribal governments or mandate Tribal action. For these reasons, PHMSA has concluded that the funding and consultation requirements of E.O. 13175 and DOT Order 5301.1A do not apply.

J. Paperwork Reduction Act

The Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*) and its implementing regulations at 5 CFR 1320.8(d) requires that PHMSA provide interested members of the public and affected agencies with an opportunity to comment on information collection and recordkeeping requests. This rulemaking will not create, amend, or rescind any existing information collections.

K. Executive Order 13609 and International Trade Analysis

E.O. 13609, *Promoting International Regulatory Cooperation*, requires agencies consider whether the impacts associated with significant variations between domestic and international regulatory approaches are unnecessary or may impair the ability of American business to export and compete internationally. In meeting shared challenges involving health, safety, labor, security, environmental, and other issues, international regulatory cooperation can identify approaches that are at least as protective as those that are or would be adopted in the absence of such cooperation. International regulatory cooperation can also reduce, eliminate, or prevent unnecessary differences in regulatory requirements.

Similarly, the Trade Agreements Act of 1979 (Pub. L. 96–39), as amended by the Uruguay Round Agreements Act (Pub. L. 103–465), prohibits Federal agencies from establishing any standards or engaging in related activities that create unnecessary obstacles to the foreign commerce of the United States. For purposes of these requirements, Federal agencies may participate in the establishment of international standards, so long as the standards have a legitimate domestic objective, such as providing for safety, and do not operate to exclude imports that meet this objective. The statute also requires consideration of international standards and, where appropriate, that they be the basis for U.S. standards.

PHMSA engages with international standards setting bodies to protect the safety of the American public. PHMSA has assessed the effects of the final rule and has determined that its regulatory amendments will not cause unnecessary obstacles to foreign trade.

L. Cybersecurity and Executive Order 14028

E.O. 14028, *Improving the Nation’s Cybersecurity*, directs the Federal Government to improve its efforts to identify, deter, and respond to “persistent and increasingly sophisticated malicious cyber campaigns.” PHMSA has considered the effects of the final rule and has determined that its regulatory amendments will not materially affect the cybersecurity risk profile for pipeline facilities.

List of Subjects in 49 CFR Part 195

Hazardous liquid, Pipeline safety.

In consideration of the foregoing, PHMSA amends 49 CFR part 195 as follows:

PART 195—TRANSPORTATION OF HAZARDOUS LIQUIDS BY PIPELINE

■ 1. The authority citation for 49 CFR part 195 continues to read as follows:

Authority: 30 U.S.C. 185(w)(3), 49 U.S.C. 5103, 60101 *et seq.*, and 49 CFR 1.97.

■ 2. In § 195.56, revise paragraph (a) to read as follows:

§ 195.56 Filing safety-related condition reports.

(a) Each report of a safety-related condition under § 195.55(a) must be filed (received by OPS) within five working days (not including Saturday, Sunday, or Federal Holidays) after the day a representative of the operator first determines that the condition exists, but not later than 10 working days after the day a representative of the operator

discovers the condition. Separate conditions may be described in a single report if they are closely related. Reports must be transmitted by electronic mail to InformationResourcesManager@dot.gov.

* * * * *

Issued in Washington, DC, on April 22, 2026, under the authority delegated in 49 CFR 1.97.

Paul J. Roberti,
Administrator.

[FR Doc. 2026–08064 Filed 4–23–26; 8:45 am]

BILLING CODE 4910–60–P

DEPARTMENT OF TRANSPORTATION

Pipeline and Hazardous Materials Safety Administration

49 CFR Part 195

[Docket No. PHMSA–2026–1544; Amdt. No. 195–124]

RIN 2137–AG48

Pipeline Safety: Clarification of Accident Reporting Requirements for Hazardous Liquid and Carbon Dioxide Pipeline Facilities

AGENCY: Pipeline and Hazardous Materials Safety Administration (PHMSA), Department of Transportation (DOT).

ACTION: Final rule.

SUMMARY: This final rule makes certain editorial corrections and non-substantive changes to the accident reporting requirements for hazardous liquid and carbon dioxide pipeline facilities.

DATES: This rule is effective August 3, 2026.

FOR FURTHER INFORMATION CONTACT:

Angela Hill, Transportation Specialist, 1200 New Jersey Avenue SE, Washington, DC 20590, 202–680–2034, angela.hill@dot.gov.

SUPPLEMENTARY INFORMATION: In this final rule, PHMSA is making certain editorial corrections and non-substantive changes to the accident reporting requirements for hazardous liquid and carbon dioxide pipeline facilities in the Federal Pipeline Safety Regulations (49 CFR parts 190–199). Specifically, § 195.52 requires operators of hazardous liquid and carbon dioxide pipeline facilities to provide immediate notice of certain accidents to the National Response Center (NRC) either by telephone or electronically. The NRC no longer allows operators to provide electronic incident notifications. PHMSA is therefore revising § 195.52(b)

to remove all references to electronic NRC submissions. Operators must provide notices of accidents to the NRC by telephone to 800-424-8802 or, in Washington, DC, 202-267-2675. This correction will remove unnecessary delays in the process of operators reporting accidents to the NRC.

Regulatory Analyses and Notices

A. Legal Authority

This final rule is published under the authority of the Secretary of Transportation as set forth in the Federal Pipeline Safety Laws (49 U.S.C. 60101 *et seq.*) and delegated to the PHMSA Administrator pursuant to 49 CFR 1.97. PHMSA has good cause under 5 U.S.C. 553(b)(B) to issue this final rule without prior notice and comment. The NRC no longer accepts electronic notifications, and PHMSA is simply revising the accident reporting requirements in § 195.52(b) to account for that fact. PHMSA finds that notice and comment is unnecessary because the electronic notification provision in section 195.52(b) is obsolete and serves no useful purpose.

B. Executive Order 12866

E.O. 12866, *Regulatory Planning and Review*, as implemented by DOT Order 2100.6B (“Policies and Procedures for Rulemaking”) and DOT Order 2100.7 (“Ensuring Reliance upon Sound Economic Analysis in Department of Transportation Policies, Programs, and Activities”), requires agencies to regulate in the “most cost-effective manner,” to make a “reasoned determination that the benefits of the intended regulation justify its costs,” and to develop regulations that “impose the least burden on society.” In arriving at those conclusions, E.O. 12866 requires that agencies should consider “both quantifiable measures . . . and qualitative measures of costs and benefits that are difficult to quantify” and “maximize net benefits . . . unless a statute requires another regulatory approach.” E.O. 12866 also requires that “agencies should assess all costs and benefits of available regulatory alternatives, including the alternative of not regulating.” DOT Order 2100.6B directs that PHMSA and other Operating Administrations must generally choose the “least costly regulatory alternative that achieves the relevant objectives” unless required by law or compelling safety need. DOT Order 2100.6B also specifies that regulations should generally “not be issued unless their benefits are expected to exceed their costs” except where required by law or compelling safety need. DOT Order

2100.7 requires that “all rulemaking activities shall be based on sound economic principles and analysis supported by rigorous cost-benefit requirement.”

E.O. 12866 and DOT Order 2100.6B also require that PHMSA submit “significant regulatory actions” to the Office of Information and Regulatory Affairs (OIRA) within the Executive Office of the President’s Office of Management and Budget (OMB) for review. This final rule is a not significant regulatory action pursuant to E.O. 12866; OMB also has not designated this rule as a “major rule” as defined by the Congressional Review Act (5 U.S.C. 801 *et seq.*).

PHMSA has complied with the procedural and analytical requirements in E.O. 12866 as implemented by DOT Order 2100.6B and DOT Order 2100.7. This final rule does not impose new burdens. The changes made are not substantive and do not impose new requirements in the Federal Pipeline Safety Regulations. Similarly, the final rule does not have any adverse effects on safety.

C. Executive Orders 14192 and 14219

This final rule is considered a deregulatory action pursuant to E.O. 14192, *Unleashing Prosperity Through Deregulation*. PHMSA estimates that the total costs of the rule on the regulated community will be *de minimis*. This final rule requires operators to notify the National Response Center (NRC) exclusively by telephone immediately following certain accidents. The non-substantive changes of this rulemaking do not impose any new requirements on pipeline operators and should improve the clarity and compliance with the Federal Pipeline Safety Regulations. Nor does this rule implicate any of the factors identified in section 2(a) of E.O. 14219, *Ensuring Lawful Governance and Implementing the President’s “Department of Government Efficiency” Deregulatory Initiative*, indicative that a regulation is “unlawful . . . [or] that undermine[s] the national interest.”

D. Energy-Related Executive Orders 13211, 14154, and 14156

The President has declared in E.O. 14156, *Declaring a National Energy Emergency*, a National emergency to address America’s inadequate energy development production, transportation, refining, and generation capacity. Similarly, E.O. 14154, *Unleashing American Energy*, asserts a Federal policy to unleash American energy by ensuring access to abundant supplies of reliable, affordable energy from (inter alia) the removal of “undue

burden[s]” on the identification, development, or use of domestic energy resources such as PHMSA-jurisdictional gases and hazardous liquids. PHMSA finds this final rule is consistent with each of E.O. 14156 and E.O. 14154. The final rule will clarify how to make immediate notice of accidents to the NRC by removing erroneous and obsolete references to electronic submissions. The provisions of this final rule are non-substantive and will not impose new requirements on pipeline operators; they are intended to promote the ease of operators complying with the existing regulations.

This final rule is not a “significant energy action” under E.O. 13211, *Actions Concerning Regulations That Significantly Affect Energy Supply, Distribution, or Use*, which requires Federal agencies to prepare a Statement of Energy Effects for any “significant energy action.” Because this final rule is not a significant action under E.O. 12866, it will not have a significant adverse effect on supply, distribution, or energy use.

E. Executive Order 13132: Federalism

PHMSA analyzed this final rule in accordance with the principles and criteria contained in E.O. 13132, *Federalism*, and the Presidential Memorandum (“Preemption”) published in the **Federal Register** on May 22, 2009. E.O. 13132 requires agencies to assure meaningful and timely input by State and local officials in the development of regulatory policies that may have “substantial direct effects on the States, on the relationship between the National Government and the States, or on the distribution of power and responsibilities among the various levels of government.”

While the final rule may operate to preempt some State requirements, it would not impose any regulation that has substantial direct effects on the States, the relationship between the National Government and the States, or the distribution of power and responsibilities among the various levels of government. Section 60104(c) of the Federal Pipeline Safety Laws prohibits certain State safety regulation of interstate pipelines. Under the Federal Pipeline Safety Laws, States that have submitted a current certification under section 60105(a) can augment Federal pipeline safety requirements for intrastate pipelines regulated by PHMSA but may not approve safety requirements less stringent than those required by Federal law. A State may also regulate an intrastate pipeline facility that PHMSA does not regulate.

The preemptive effect of the regulatory amendments in this final rule is limited to the minimum level necessary to achieve the objectives of the Federal Pipeline Safety Laws. Therefore, the consultation and funding requirements of E.O. 13132 do not apply.

F. Regulatory Flexibility Act

The Regulatory Flexibility Act (RFA, 5 U.S.C. 601 *et seq.*) requires Federal agencies to conduct a Final Regulatory Flexibility Analysis (FRFA) for a final rule subject to notice-and-comment rulemaking, unless the agency certifies that the rule will not have a significant economic impact on a substantial number of small entities. The RFA applies only to rules for which an agency is required to first publish a proposed rule (*see* 5 U.S.C. 603(a) and 604(a)). PHMSA is not required to publish a notice of proposed rulemaking for this final rule, so the RFA does not apply. However, PHMSA expects no affected operators will face significant costs from the regulatory amendments introduced here, as they merely align PHMSA regulations with current NRC practice of no longer accepting electronic notifications of incidents.

G. Unfunded Mandates Reform Act of 1995

The Unfunded Mandates Reform Act (UMRA, 2 U.S.C. 1501 *et seq.*) requires agencies to assess the effects of Federal regulatory actions on State, local, and Tribal governments, and the private sector. For any proposed or final rule that includes a Federal mandate that may result in the expenditure by State, local, and Tribal governments, in the aggregate of \$100 million or more in 1996 dollars (\$203 million in 2024) in any given year, the agency must prepare, amongst other things, a written statement that qualitatively and quantitatively assesses the costs and benefits of the Federal mandate.

This final rule does not impose unfunded mandates under UMRA because it does not result in costs of \$100 million or more (in 1996 dollars) per year for either State, local, or Tribal governments, or to the private sector.

H. National Environmental Policy Act

PHMSA has analyzed this rule pursuant to the National Environmental Policy Act (NEPA, 42 U.S.C. 4321 *et seq.*) and has determined it is categorically excluded under 23 CFR 771.117(c)(20), which applies to the promulgation of rules, regulations, and directives. Under section 9 of DOT Order 5610.1D (“DOT’s Procedures for Considering Environmental Impacts”), PHMSA may apply a categorical

exclusion established in another Operating Administration’s procedures. PHMSA followed the requirements outlined in DOT Order 5610.1D to apply a categorical exclusion issued by the Federal Highway Administration (FHWA) to this deregulatory action. PHMSA does not anticipate any adverse environmental impacts from this rule, and PHMSA has determined no unusual circumstances are present under 23 CFR 771.117(b). PHMSA’s Categorical Exclusion Determination memo for this action is available on PHMSA’s website.¹

I. Executive Order 13175

PHMSA analyzed this final rule according to the principles and criteria in E.O. 13175, *Consultation and Coordination with Indian Tribal Governments*, and DOT Order 5301.1A (“Department of Transportation Tribal Consultation Policies and Procedures”). E.O. 13175 requires agencies to assure meaningful and timely input from Tribal government representatives in the development of rules that significantly or uniquely affect Tribal communities by imposing “substantial direct compliance costs” or “substantial direct effects” on such communities or the relationship or distribution of power between the Federal Government and Tribes.

PHMSA assessed the impact of the final rule and determined that it will not significantly or uniquely affect Tribal communities or Indian Tribal governments. The rulemaking’s regulatory amendments have a broad, national scope; therefore, this final rule will not significantly or uniquely affect Tribal communities, much less impose substantial compliance costs on Native American Tribal governments or mandate Tribal action. For these reasons, PHMSA has concluded that the funding and consultation requirements of E.O. 13175 and DOT Order 5301.1A do not apply.

J. Paperwork Reduction Act

The Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*) and its implementing regulations at 5 CFR 1320.8(d) requires that PHMSA provide interested members of the public and affected agencies with an opportunity to comment on information collection and recordkeeping requests. This rulemaking will amend the instructions for notifying the NRC in the event of certain accidents. Accordingly, PHMSA intends to request a revision to the

¹ PHMSA, *Implementing Procedures*, <https://www.phmsa.dot.gov/planning-and-analytics/environmental-analysis-and-compliance/implementing-procedures>.

information collection under OMB Control Number 2137–0047.

K. Executive Order 13609 and International Trade Analysis

E.O. 13609, *Promoting International Regulatory Cooperation*, requires agencies consider whether the impacts associated with significant variations between domestic and international regulatory approaches are unnecessary or may impair the ability of American business to export and compete internationally. In meeting shared challenges involving health, safety, labor, security, environmental, and other issues, international regulatory cooperation can identify approaches that are at least as protective as those that are or would be adopted in the absence of such cooperation. International regulatory cooperation can also reduce, eliminate, or prevent unnecessary differences in regulatory requirements.

Similarly, the Trade Agreements Act of 1979 (Pub. L. 96–39), as amended by the Uruguay Round Agreements Act (Pub. L. 103–465), prohibits Federal agencies from establishing any standards or engaging in related activities that create unnecessary obstacles to the foreign commerce of the United States. For purposes of these requirements, Federal agencies may participate in the establishment of international standards, so long as the standards have a legitimate domestic objective, such as providing for safety, and do not operate to exclude imports that meet this objective. The statute also requires consideration of international standards and, where appropriate, that they be the basis for U.S. standards.

PHMSA engages with international standards setting bodies to protect the safety of the American public. PHMSA has assessed the effects of the final rule and has determined that its regulatory amendments will not cause unnecessary obstacles to foreign trade.

L. Cybersecurity and Executive Order 14028

E.O. 14028, *Improving the Nation’s Cybersecurity*, directs the Federal Government to improve its efforts to identify, deter, and respond to “persistent and increasingly sophisticated malicious cyber campaigns.” PHMSA has considered the effects of the final rule and has determined that its regulatory amendments will not materially affect the cybersecurity risk profile for pipeline facilities.

List of Subjects in 49 CFR Part 195

Hazardous liquid, Pipeline safety.

In consideration of the foregoing, PHMSA amends 49 CFR part 195 as follows:

PART 195—TRANSPORTATION OF HAZARDOUS LIQUIDS BY PIPELINE

■ 1. The authority citation for 49 CFR part 195 continues to read as follows:

Authority: 30 U.S.C. 185(w)(3), 49 U.S.C. 5103, 60101 *et seq.*, and 49 CFR 1.97.

■ 2. In § 195.52, revise the introductory text of paragraph (b) to read as follows:

§ 195.52 Immediate notice of certain accidents.

* * * * *

(b) *Information required.* Each notice required by paragraph (a) of this section must be made to the National Response Center by telephone to 800-424-8802 (in Washington, DC, 202-267-2675) and must include the following information:

* * * * *

Issued in Washington, DC, on April 22, 2026, under the authority delegated in 49 CFR 1.97.

Paul J. Roberti,
Administrator.

[FR Doc. 2026-08062 Filed 4-23-26; 8:45 am]

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DEPARTMENT OF TRANSPORTATION

Pipeline and Hazardous Materials Safety Administration

49 CFR Part 195

[Docket No. PHMSA-2026-1547; Amdt. No. 195-127]

RIN 2137-AG51

Pipeline Safety: Outer Continental Shelf Pipelines

AGENCY: Pipeline and Hazardous Materials Safety Administration (PHMSA), Department of Transportation (DOT).

ACTION: Final rule; technical amendment.

SUMMARY: This final rule makes an editorial correction to the requirements for pipelines on the Outer Continental Shelf.

DATES: This rule is effective August 3, 2026.

FOR FURTHER INFORMATION CONTACT: Angela Hill, Transportation Specialist, 1200 New Jersey Avenue SE, Washington, DC 20590, 202-680-2034, angela.hill@dot.gov.

SUPPLEMENTARY INFORMATION: In this final rule, PHMSA is making an editorial correction to the requirements

for pipelines on the Outer Continental Shelf (OCS). Specifically, § 195.9 requires operators of pipelines on the OCS to identify the specific point at which operating responsibility transfers to a producing operator. In cases where adjoining operators have not agreed on a transfer point by September 15, 1998, § 195.9 states the Regional Director and the MMS Regional Supervisor will make a joint determination of the transfer point. The MMS, formally known as the Minerals Management Service, has since changed its name to the Bureau of Ocean Energy Management, Regulation and Enforcement, or BOEMRE. PHMSA is therefore revising the text in § 195.9 to reflect this change.

Regulatory Analyses and Notices

A. Legal Authority

This final rule is published under the authority of the Secretary of Transportation set forth in the Federal Pipeline Safety Laws (49 U.S.C. 60101 *et seq.*) and delegated to the PHMSA Administrator pursuant to 49 CFR 1.97. PHMSA has good cause under 5 U.S.C. 553(b)(B) to issue this final rule without prior notice and comment. The MMS is now called BOEMRE and PHMSA is simply revising the requirements in § 195.9 to reflect this change. PHMSA finds that notice and comment is unnecessary because the reference to the MMS in § 195.9 is obsolete and serves no useful purpose.

B. Executive Order 12866

E.O. 12866, *Regulatory Planning and Review*, as implemented by DOT Order 2100.6B (“Policies and Procedures for Rulemaking”) and DOT Order 2100.7 (“Ensuring Reliance upon Sound Economic Analysis in Department of Transportation Policies, Programs, and Activities”), requires agencies to regulate in the “most cost-effective manner,” to make a “reasoned determination that the benefits of the intended regulation justify its costs,” and to develop regulations that “impose the least burden on society.” In arriving at those conclusions, E.O. 12866 requires that agencies should consider “both quantifiable measures . . . and qualitative measures of costs and benefits that are difficult to quantify” and “maximize net benefits . . . unless a statute requires another regulatory approach.” E.O. 12866 also requires that “agencies should assess all costs and benefits of available regulatory alternatives, including the alternative of not regulating.” DOT Order 2100.6B directs that PHMSA and other Operating Administrations must generally choose the “least costly regulatory alternative

that achieves the relevant objectives” unless required by law or compelling safety need. DOT Order 2100.6B also specifies that regulations should generally “not be issued unless their benefits are expected to exceed their costs” except where required by law or compelling safety need. DOT Order 2100.7 requires that “all rulemaking activities shall be based on sound economic principles and analysis supported by rigorous cost-benefit requirement.”

E.O. 12866 and DOT Order 2100.6B also require that PHMSA submit “significant regulatory actions” to the Office of Information and Regulatory Affairs (OIRA) within the Executive Office of the President’s Office of Management and Budget (OMB) for review. This final rule is a not significant regulatory action pursuant to E.O. 12866; OMB also has not designated this rule as a “major rule” as defined by the Congressional Review Act (5 U.S.C. 801 *et seq.*).

PHMSA has complied with the procedural and analytical requirements in E.O. 12866 as implemented by DOT Order 2100.6B and DOT Order 2100.7. This final rule does not impose new burdens. The changes made are not substantive and do not impose new requirements in the Federal Pipeline Safety Regulations. Similarly, the final rule does not have any adverse effects on safety.

C. Executive Orders 14192 and 14219

This final rule is considered a deregulatory action pursuant to E.O. 14192, *Unleashing Prosperity Through Deregulation*. PHMSA estimates that the total costs of the rule on the regulated community will be *de minimis*. The non-substantive changes of this rulemaking do not impose any new requirements on pipeline operators and should improve the clarity and compliance with the Federal Pipeline Safety Regulations. Nor does this rule implicate any of the factors identified in section 2(a) of E.O. 14219, *Ensuring Lawful Governance and Implementing the President’s “Department of Government Efficiency” Deregulatory Initiative*, indicative that a regulation is “unlawful . . . [or] that undermine[s] the national interest.”

D. Energy-Related Executive Orders 13211, 14154, and 14156

The President has declared in E.O. 14156, *Declaring a National Energy Emergency*, a National emergency to address America’s inadequate energy development production, transportation, refining, and generation capacity. Similarly, E.O. 14154,

Unleashing American Energy, asserts a Federal policy to unleash American energy by ensuring access to abundant supplies of reliable, affordable energy from (inter alia) the removal of “undue burden[s]” on the identification, development, or use of domestic energy resources such as PHMSA-jurisdictional gases and hazardous liquids. PHMSA finds this final rule is consistent with each of E.O. 14156 and E.O. 14154. The provisions of this final rule are non-substantive and will not impose new requirements on pipeline operators; they are intended to promote the ease of operators complying with the existing regulations.

This final rule is not a “significant energy action” under E.O. 13211, *Actions Concerning Regulations That Significantly Affect Energy Supply, Distribution, or Use*, which requires Federal agencies to prepare a Statement of Energy Effects for any “significant energy action.” Because this final rule is not a significant action under E.O. 12866, it will not have a significant adverse effect on supply, distribution, or energy use.

E. Executive Order 13132: Federalism

PHMSA analyzed this final rule in accordance with the principles and criteria contained in E.O. 13132, *Federalism*, and the Presidential Memorandum (“Preemption”) published in the **Federal Register** on May 22, 2009. E.O. 13132 requires agencies to assure meaningful and timely input by State and local officials in the development of regulatory policies that may have “substantial direct effects on the States, on the relationship between the National Government and the States, or on the distribution of power and responsibilities among the various levels of government.”

While the final rule may operate to preempt some State requirements, it would not impose any regulation that has substantial direct effects on the States, the relationship between the National Government and the States, or the distribution of power and responsibilities among the various levels of government. Section 60104(c) of the Federal Pipeline Safety Laws prohibits certain State safety regulation of interstate pipelines. Under the Federal Pipeline Safety Laws, States that have submitted a current certification under section 60105(a) can augment Federal pipeline safety requirements for intrastate pipelines regulated by PHMSA but may not approve safety requirements less stringent than those required by Federal law. A State may also regulate an intrastate pipeline

facility that PHMSA does not regulate. The preemptive effect of the regulatory amendments in this final rule is limited to the minimum level necessary to achieve the objectives of the Federal Pipeline Safety Laws. Therefore, the consultation and funding requirements of E.O. 13132 do not apply.

F. Regulatory Flexibility Act

The Regulatory Flexibility Act (RFA, 5 U.S.C. 601 *et seq.*) requires Federal agencies to conduct a Final Regulatory Flexibility Analysis (FRFA) for a final rule subject to notice-and-comment rulemaking, unless the agency certifies that the rule will not have a significant economic impact on a substantial number of small entities. The RFA applies only to rules for which an agency is required to first publish a proposed rule (see 5 U.S.C. 603(a) and 604(a)). PHMSA is not required to publish a notice of proposed rulemaking for this final rule, so the RFA does not apply. However, PHMSA expects no affected operators will face significant costs from the regulatory amendments introduced here, as they are editorial and non-substantive in nature.

G. Unfunded Mandates Reform Act of 1995

The Unfunded Mandates Reform Act (UMRA, 2 U.S.C. 1501 *et seq.*) requires agencies to assess the effects of Federal regulatory actions on State, local, and Tribal governments, and the private sector. For any proposed or final rule that includes a Federal mandate that may result in the expenditure by State, local, and Tribal governments, in the aggregate of \$100 million or more in 1996 dollars (\$203 million in 2024) in any given year, the agency must prepare, amongst other things, a written statement that qualitatively and quantitatively assesses the costs and benefits of the Federal mandate.

This final rule does not impose unfunded mandates under UMRA because it does not result in costs of \$100 million or more (in 1996 dollars) per year for either State, local, or Tribal governments, or to the private sector.

H. National Environmental Policy Act

PHMSA has analyzed this rule pursuant to the National Environmental Policy Act (NEPA, 42 U.S.C. 4321 *et seq.*) and has determined it is categorically excluded under 23 CFR 771.117(c)(20), which applies to the promulgation of rules, regulations, and directives. Under section 9 of DOT Order 5610.1D (“DOT’s Procedures for Considering Environmental Impacts”), PHMSA may apply a categorical exclusion established in another

Operating Administration’s procedures. PHMSA followed the requirements outlined in DOT Order 5610.1D to apply a categorical exclusion issued by the Federal Highway Administration (FHWA) to this deregulatory action. PHMSA does not anticipate any adverse environmental impacts from this rule, and PHMSA has determined no unusual circumstances are present under 23 CFR 771.117(b). PHMSA’s Categorical Exclusion Determination memo for this action is available on PHMSA’s website.¹

I. Executive Order 13175

PHMSA analyzed this final rule according to the principles and criteria in E.O. 13175, *Consultation and Coordination with Indian Tribal Governments*, and DOT Order 5301.1A (“Department of Transportation Tribal Consultation Policies and Procedures”). E.O. 13175 requires agencies to assure meaningful and timely input from Tribal government representatives in the development of rules that significantly or uniquely affect Tribal communities by imposing “substantial direct compliance costs” or “substantial direct effects” on such communities or the relationship or distribution of power between the Federal Government and Tribes.

PHMSA assessed the impact of the final rule and determined that it will not significantly or uniquely affect Tribal communities or Indian Tribal governments. The rulemaking’s regulatory amendments have a broad, national scope; therefore, this final rule will not significantly or uniquely affect Tribal communities, much less impose substantial compliance costs on Native American Tribal governments or mandate Tribal action. For these reasons, PHMSA has concluded that the funding and consultation requirements of E.O. 13175 and DOT Order 5301.1A do not apply.

J. Paperwork Reduction Act

The Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*) and its implementing regulations at 5 CFR 1320.8(d) requires that PHMSA provide interested members of the public and affected agencies with an opportunity to comment on information collection and recordkeeping requests. This rulemaking will not create, amend, or rescind any existing information collections.

¹ PHMSA, *Implementing Procedures*, <https://www.phmsa.dot.gov/planning-and-analytics/environmental-analysis-and-compliance/implementing-procedures>.

K. Executive Order 13609 and International Trade Analysis

E.O. 13609, *Promoting International Regulatory Cooperation*, requires agencies consider whether the impacts associated with significant variations between domestic and international regulatory approaches are unnecessary or may impair the ability of American business to export and compete internationally. In meeting shared challenges involving health, safety, labor, security, environmental, and other issues, international regulatory cooperation can identify approaches that are at least as protective as those that are or would be adopted in the absence of such cooperation. International regulatory cooperation can also reduce, eliminate, or prevent unnecessary differences in regulatory requirements.

Similarly, the Trade Agreements Act of 1979 (Pub. L. 96–39), as amended by the Uruguay Round Agreements Act (Pub. L. 103–465), prohibits Federal agencies from establishing any standards or engaging in related activities that create unnecessary obstacles to the foreign commerce of the United States. For purposes of these requirements, Federal agencies may participate in the establishment of international standards, so long as the standards have a legitimate domestic objective, such as providing for safety, and do not operate to exclude imports that meet this objective. The statute also requires consideration of international standards and, where appropriate, that they be the basis for U.S. standards.

PHMSA engages with international standards setting bodies to protect the safety of the American public. PHMSA has assessed the effects of the final rule and has determined that its regulatory amendments will not cause unnecessary obstacles to foreign trade.

L. Cybersecurity and Executive Order 14028

E.O. 14028, *Improving the Nation's Cybersecurity*, directs the Federal Government to improve its efforts to identify, deter, and respond to “persistent and increasingly sophisticated malicious cyber campaigns.” PHMSA has considered the effects of the final rule and has determined that its regulatory amendments will not materially affect the cybersecurity risk profile for pipeline facilities.

List of Subjects in 49 CFR Part 195

Hazardous liquid, Pipeline safety.

In consideration of the foregoing, PHMSA amends 49 CFR part 195 as follows:

PART 195—TRANSPORTATION OF HAZARDOUS LIQUIDS BY PIPELINE

■ 1. The authority citation for part 195 continues to read as follows:

Authority: 30 U.S.C. 185(w)(3), 49 U.S.C. 5103, 60101 *et seq.*, and 49 CFR 1.97.

■ 2. Revise § 195.9 to read as follows:

§ 195.9 Outer continental shelf pipelines.

Operators of transportation pipelines on the Outer Continental Shelf must identify on all their respective pipelines the specific points at which operating responsibility transfers to a producing operator. For those instances in which the transfer points are not identifiable by a durable marking, each operator will have until September 15, 1998, to identify the transfer points. If it is not practicable to mark durably a transfer point and the transfer point is located above water, the operator must depict the transfer point on a schematic maintained near the transfer point. If a transfer point is located subsea, the operator must identify the transfer point on a schematic which must be maintained at the nearest upstream facility and provided to PHMSA upon request. For those cases in which adjoining operators have not agreed on a transfer point by September 15, 1998, the Regional Director and the Bureau of Ocean Energy Management, Regulation and Enforcement Regional Supervisor will make a joint determination of the transfer point.

Issued in Washington, DC, on April 22, 2026, under the authority delegated in 49 CFR 1.97.

Paul J. Roberti,
Administrator.

[FR Doc. 2026–08065 Filed 4–23–26; 8:45 am]

BILLING CODE 4910–60–P

DEPARTMENT OF TRANSPORTATION

Federal Railroad Administration

49 CFR Part 209

[Docket No. FRA–2022–0085; Notice No. 2]

RIN 2130–AC93

Amendments to the Federal Railroad Administration's Procedures for Service of Documents in Railroad Safety Enforcement Proceedings

AGENCY: Federal Railroad Administration (FRA), Department of Transportation (DOT).

ACTION: Final rule.

SUMMARY: This rule updates FRA's railroad safety enforcement procedures and rules of practice to require electronic service of documents. This rule also establishes procedures to implement new authority regarding civil penalties for alleged Federal railroad safety violations. Finally, this rule makes other necessary administrative updates, such as correcting addresses.

DATES: This rule is effective May 26, 2026.

FOR FURTHER INFORMATION CONTACT:

Veronica Chittim, Assistant Chief Counsel for Safety, Office of the Chief Counsel (RCC), FRA, (telephone 202–480–3410), veronica.chittim@dot.gov; or Lucinda Henriksen, Senior Advisor, Office of Railroad Safety (RRS), FRA (telephone 202–657–2842), lucinda.henriksen@dot.gov.

SUPPLEMENTARY INFORMATION:

I. Background

Consistent with Executive Order (E.O.) 14192, *Unleashing Prosperity Through Deregulation* (90 FR 9065, Feb. 6, 2025), and E.O. 14219, *Ensuring Lawful Governance and Implementing the President's "Department of Government Efficiency" Deregulatory Initiative* (90 FR 10583, Feb. 25, 2025), and as described in more detail below, this rule updates FRA's railroad safety enforcement procedures and rules of practice to require electronic service of documents; establishes procedures to implement new authority regarding civil penalties for alleged Federal railroad safety violations; and makes other necessary administrative updates, such as correcting addresses.

On July 1, 2025, FRA published a notice of proposed rulemaking (NPRM) that proposed accounting for technological changes, conforming FRA's procedures for hazardous materials (hazmat) and non-hazmat assessments, aligning FRA's service provisions with those at other agencies, and helping agency operations to continue, without interruption, during emergencies. See 90 FR 28612.

As discussed in the NPRM, this rule also establishes procedures in part 209 to implement new authority regarding civil penalties provided in section 22418 of the Infrastructure Investment and Jobs Act, Pub. L. 117–58 (Nov. 15, 2021), codified at 49 U.S.C. 21301(a). This statutory authority allows FRA to resolve administratively civil penalty assessments alleging violations under FRA's railroad safety authority.

FRA received two comments in response to the NPRM that sought

clarification or changes to the proposed procedural requirements in part 209.

The Transportation Division of the International Association of Sheet Metal, Air, Rail and Transportation Workers (SMART-TD) asserted that electronic communications “cannot be relied upon for urgent communications,” and “transmission” should not be considered “receipt.”¹ SMART-TD noted hurdles such as “IT systems [that] block or reroute email,” “addresses go stale when workers change crafts or carriers,” and “spam filters bury critical notices.” SMART-TD suggested that FRA retain personal or certified-mail service for subpoenas and other documents. In response to these concerns, FRA is not modifying the rule text but notes that issues pertaining to the accuracy of addresses may exist regardless of the method of service and emphasizes that personal or certified-mail service remain options if electronic service is not available.

In addition, SMART-TD noted concern with the NPRM’s discussion of individual liability civil penalty actions. Though FRA acknowledges these concerns, the policy stated in the proposal regarding FRA’s individual liability policy is almost entirely verbatim from the existing appendix A. FRA did not propose to modify the standard for individual liability actions in this rule, nor does FRA find modifying this language appropriate.

Moreover, SMART-TD requested that FRA extend the amount of time to respond to a demand letter, from 60 days, as proposed in subpart G, to 90 days, and that FRA provide the entire evidentiary record with the demand letter. In response, FRA notes that as a matter of practice, FRA has requested a response within 60 days to each notice of alleged violation of railroad safety regulations and this rule merely formalizes that period for response. In comparison, for hazmat violations (part 209, subpart B) respondents are provided 30 days to respond to a notice of probable violation (NOPV). FRA finds that the 60 days allotted in these procedures is sufficient time for a respondent to acknowledge receipt of a letter of alleged violation, at a minimum, and should additional time be necessary, the agency will allow an extension of time for cause stated. See section 209.607(b). FRA also notes that along with the demand letter, FRA will provide (as it has always done) supporting evidence of the alleged violation(s), to include a violation report, inspection report, and other

relevant exhibits, such as photographs and railroad records, as applicable.

SMART-TD took issue with FRA’s proposal to have hearing officers designated by the Office of the Chief Counsel, as the same office prosecutes cases. FRA notes in response that the new subpart G procedures regarding administrative hearings for rail safety cases mimics the procedures currently located in subpart B regarding hazmat cases. A hearing officer designated by the Office of the Chief Counsel is independent from the personnel prosecuting the substantive violation(s), and different Offices within the Office of the Chief Counsel perform different functions (the Office of Safety Law handles enforcement prosecution, whereas the Office of General Law handles the hearing officer function for the Office). A designated hearing officer in the Office of General Law is not involved in any rail safety enforcement activity and operates independently from all Safety Law functions, including enforcement activities. There is already established Department of Transportation policy to ensure the appropriate separation of functions during administrative enforcement proceedings; “[i]t is in the public interest and fundamental to good government that the Department carry out its enforcement responsibilities in a fair and just manner.”²

Finally, SMART-TD asked FRA to provide “secure, accessible systems for electronic submissions.” FRA notes that email is a standard method of communication, and submissions can be protected through encryption, in addition to routine technological safeguards. Any party making an electronic filing under this rule is encouraged to do so through secure means. For example, a party can select to encrypt and/or password protect the filing using an email provider of the party’s choice. FRA does not find it necessary to modify the rule in response to this concern.

Separately, the Association of American Railroads (AAR) submitted a comment regarding the procedural requirements proposed in subpart G.³ Specifically, AAR stated that the NPRM “(like the existing hazmat civil penalty rule it mirrors) is ambiguous, and one possible interpretation of the rule would

complicate the process and place additional burdens upon railroads by creating an unnecessary paperwork requirement.” To address this asserted ambiguity, AAR recommends that FRA clarify that the written response and the request for a conference are available independently and requests that FRA modify language in section 209.611(b). Overall, AAR emphasized that FRA should “allow for continued use of consolidated annual submissions for penalty mitigation” and clarify the framework.

In response to AAR’s comment, FRA has modified section 209.611 as recommended and clarifies that with the new process outlined in part 209, FRA did not intend to alter the typical process for Class 1 railroad carriers and other larger respondents that discuss numerous cases during consolidated annual settlement conferences. Moreover, FRA did not intend to require a form letter to be submitted for each case within 60 days to acknowledge receipt and deferring the informal conference. FRA is not modifying the similar provisions in part 209, subpart B, at this time, as changes to those hazmat procedures were not previously proposed in this rulemaking.

For more information, please review the SECTION-BY-SECTION ANALYSIS below.

II. Section-by-Section Analysis

Unless noted otherwise, please refer to the discussion in the NPRM, as FRA has generally adopted the rule text as proposed. See 90 FR 28613–28615.

Part 209

§ 209.1 Purpose; § 209.5 Service; and § 209.6 Requests for Admission

FRA adopts these provisions as proposed in the NPRM. 90 FR 28613.

§ 209.7 Subpoenas; Witness Fees

FRA adopts this provision as proposed in the NPRM. 90 FR 28613. Though SMART-TD suggested that FRA should retain the “in person” method of service, FRA notes that “in person” service remains available for subpoenas. FRA has determined that electronic service should be sufficient in most cases, and “in person” service should only be relied on in rare circumstances (*i.e.*, when electronic service is impossible).

§ 209.8 Depositions in Formal Proceedings; § 209.9 Filing; § 209.13 Consolidation; § 209.15 Rules of Evidence

FRA adopts these provisions as proposed in the NPRM. 90 FR 28613, 28614.

¹ <https://www.regulations.gov/comment/FRA-2022-0085-0002>.

² U.S. Department of Transportation, *Memorandum to Secretarial Officers and Heads of Operating Administrations: Procedural Requirements for DOT Enforcement Actions* (March 11, 2025), available at: <https://cms.dot.gov/mission/administrations/office-general-counsel/procedural-requirements-dot-enforcement-actions-0>.

³ <https://www.regulations.gov/comment/FRA-2022-0085-0003>.

§ 209.105 Notice of Probable Violation

FRA adopts this provision as proposed in the NPRM. 90 FR 28614.

§ 209.109 Payment of Penalty; Compromise

While FRA generally adopts § 209.109(b) as proposed in the NPRM, 90 FR 28614, subsequent to the publication of the NPRM, FRA moved to electronic-only methods for payments and receipts made to or from FRA consistent with E.O. 14247, “Modernizing Payments To and From America’s Bank Account,” issued on March 25, 2025. Thus, FRA is amending § 209.109(a) to remove the mailing and overnight delivery addresses for payments and directs payment to be made through <https://www.pay.gov/> instead.

§ 209.303 Coverage; § 209.335 Penalties; § 209.405 Reporting of Remedial Actions; § 209.407 Delayed Reports

FRA adopts these provisions as proposed in the NPRM. 90 FR 28614.

Part 209, Subpart G Enforcement, Hearing, and Appeal Procedures for Rail Safety Violations

FRA amends 49 CFR part 209 by adding a new subpart G, *Enforcement, Hearing, and Appeal Procedures for Rail Safety Violations*, generally as proposed in the NPRM, 90 FR 28614, but with minor modifications as described below.

§ 209.601 Civil Penalties Generally

FRA adopts this provision as proposed in the NPRM. 90 FR 28614.

§ 209.603 Minimum and Maximum Penalties; § 209.605 Demand Letter

FRA adopts these provisions generally as proposed in the NPRM. 90 FR 28614. FRA is making minor formatting changes in § 209.603 and § 209.605(c) to reflect comments from the Office of the Federal Register on similar language in other penalty provisions in other parts of the CFR.

§ 209.607 Reply

FRA adopts this provision as proposed in the NPRM. 90 FR 28614.

§ 209.609 Payment of Penalty; Compromise

FRA adopts § 209.609(b) as proposed in the NPRM but modifies § 209.609(a) to mirror the changes to § 209.109(a) in this rule to remove the mailing and overnight delivery addresses for payments originally proposed and directs payment to be made through <https://www.pay.gov/> instead.

§ 209.611 Informal Response and Assessment

Section 209.611 explains the process for how a respondent may respond informally to a demand letter. As discussed above, in response to AAR’s comment, FRA is modifying the language in this section to clarify that the written response and the request for a conference are available independently. FRA is adding the word “written” in the phrase “informal written response” in paragraph (a). FRA is striking the sentence in proposed section 209.611(b) “[u]pon receipt of such a request, the Office of the Chief Counsel arranges for a conference as soon as practicable,” and is modifying the language to read “Instead of or in addition to an informal written response as described in paragraph (a), an informal response may consist of a request for a conference.” Overall, FRA expresses its intent to continue use of consolidated annual submissions for penalty mitigation and conferences with railroads covering more than one case.

§ 209.613 Request for Hearing; § 209.615 Hearing; § 209.617 Presiding Officer’s Decision; § 209.619 Assessment Considerations; § 209.621 Appeal; Part 209, Appendix

A, Statement of Agency Policy Concerning Enforcement of the Federal Railroad Safety Laws; Part 209, Appendix B, Federal Railroad Administration Guidelines for Initial Hazardous Materials Assessments; Part 209, Appendix C, FRA’s Policy Statement Concerning Small Entities

FRA adopts these provisions and language as proposed in the NPRM. 90 FR 28614, 28615.

III. Regulatory Impact and Notices

A. Executive Order (E.O.) 12866 (Regulatory Planning and Review) and DOT Regulatory Policies and Procedures

FRA has considered the impact of this final rule under E.O. 12866 (58 FR 51735, Oct. 4, 1993), Regulatory Planning and Review, and DOT Regulatory Policies and Procedures. The Office of Information and Regulatory Affairs within Office of Management and Budget (OMB) determined that this final rule is not a significant regulatory action under section 3(f) of E.O. 12866.

FRA analyzed the potential costs and benefits of this final rule. This final rule will allow electronic methods of serving documents, such as email, whenever possible. This will expedite the speed at which documents are delivered while also reducing costs that would otherwise exist from having to print and

mail documents. In addition, this rule makes miscellaneous changes such as reflecting updated web and email addresses. This rule will reduce burdens on regulated entities and provide some qualitative benefits to regulated entities and the U.S. government, by clarifying, simplifying, and updating the language of part 209.

B. Executive Order 14192 (Unleashing Prosperity Through Deregulation)

E.O. 14192, Unleashing Prosperity Through Deregulation, requires that for “each new [E.O. 14192 regulatory action] issued, at least ten prior regulations be identified for elimination.”⁴ Implementation guidance for E.O. 14192 issued by OMB (Memorandum M–25–20, March 26, 2025) defines two different types of E.O. 14192 actions: an E.O. 14192 deregulatory action, and an E.O. 14192 regulatory action.⁵

An E.O. 14192 deregulatory action is defined as “an action that has been finalized and has total costs less than zero.” This final rule will have total costs less than zero, and therefore it will be considered an E.O. 14192 deregulatory action upon issuance of this final rule. FRA affirms that each amendment proposed in this final rule has a cost that is negligible or “less than zero” consistent with E.O. 14192.

C. Regulatory Flexibility Act and Executive Order 13272

The Regulatory Flexibility Act of 1980 ((RFA), 5 U.S.C. 601 *et seq.*) and E.O. 13272 (67 FR 53461, Aug. 16, 2002), Proper Consideration of Small Entities in Agency Rulemaking, requires an agency to prepare and make available to the public a regulatory flexibility analysis that describes the effect of the rule on small entities (*i.e.*, small businesses, small organizations, and small governmental jurisdictions).

No regulatory flexibility analysis is required, however, if the head of an Agency or an appropriate designee certifies that the rule will not have a significant economic impact on a substantial number of small entities. This final rule will not preclude small entities from continuing existing practices that comply with part 209; it merely offers clarification that could result in cost savings, if a small entity

⁴ Executive Office of the President, *Executive Order 14192 of January 31, 2025, Unleashing Prosperity Through Deregulation*, 90 FR 9065–9067 (Feb. 6, 2025).

⁵ Executive Office of the President, Office of Management and Budget, *Guidance Implementing Section 3 of Executive Order 14192, Titled “Unleashing Prosperity Through Deregulation,”* Memorandum M–25–20 (Mar. 26, 2025).

or other regulated entity chooses to utilize the flexibilities. Consequently, FRA certifies that this final rule will not have a significant economic impact on a substantial number of small entities.

D. Paperwork Reduction Act

This final rule offers regulatory flexibilities, and it contains no new collection of information requirements in accordance with the Paperwork Reduction Act of 1995, 44 U.S.C. 3501 *et seq.*, therefore, an information collection submission to OMB is not required.

E. Environmental Assessment

FRA has analyzed this rule for the purposes of the National Environmental Policy Act of 1969 (NEPA). In accordance with 42 U.S.C. 4336 and DOT NEPA Order 5610.1D, FRA has determined that this rule is categorically excluded pursuant to 23 CFR 771.116(c)(15). This rulemaking is not anticipated to result in any environmental impacts, and there are no unusual or extraordinary circumstances present in connection with this rulemaking.

F. Federalism Implications

This final rule will not have a substantial 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. Thus, in accordance with E.O. 13132, Federalism (64 FR 43255, Aug. 10, 1999), preparation of a Federalism Assessment is not warranted.

G. Unfunded Mandates Reform Act of 1995

This final rule will not result in the expenditure, in the aggregate, of \$100,000,000 or more, adjusted for inflation, in any one year by State, local, or Indian Tribal governments, or the private sector. Thus, consistent with section 202 of the Unfunded Mandates Reform Act of 1995 (Pub. L. 104–4, 2 U.S.C. 1532), FRA is not required to prepare a written statement detailing the effect of such an expenditure.

H. Energy Impact

E.O. 13211 (66 FR 28355, May 22, 2001), Actions Concerning Regulations That Significantly Affect Energy Supply, Distribution, or Use, requires Federal agencies to prepare a Statement of Energy Effects for any “significant energy action.”⁶ FRA has evaluated this final rule in accordance with E.O. 13211

and determined that this final rule is not a “significant energy action” within the meaning of E.O. 13211.

I. Executive Order 13175 (Tribal Consultation)

FRA has evaluated this final rule in accordance with the principles and criteria contained in E.O. 13175, Consultation and Coordination with Indian Tribal Governments (65 FR 67249, Nov. 6, 2000). The final rule will not have a substantial direct effect on one or more Indian tribes, will not impose substantial direct compliance costs on Indian tribal governments, and will not preempt tribal laws. Therefore, the funding and consultation requirements of E.O. 13175 do not apply, and a tribal summary impact statement is not required.

J. International Trade Impact Assessment

The Trade Agreement Act of 1979 prohibits Federal agencies from engaging in any standards or related activities that create unnecessary obstacles to the foreign commerce of the United States. Legitimate domestic objectives, such as safety, are not considered unnecessary obstacles. The statute also requires consideration of international standards and, where appropriate, that they be the basis for U.S. standards. This final rule is purely domestic in nature and is not expected to affect trade opportunities for U.S. firms doing business overseas or for foreign firms doing business in the United States.

List of Subjects in 49 CFR Part 209

Administrative practice and procedure, Hazardous materials transportation, Penalties, Railroad safety, Reporting and recordkeeping requirements.

The Final Rule

For the reasons discussed in the preamble, FRA amends part 209 of chapter II, subtitle B of title 49, Code of Federal Regulations as follows:

PART 209—RAILROAD SAFETY ENFORCEMENT PROCEDURES

■ 1. The authority citation for part 209 continues to read as follows:

Authority: 49 U.S.C. 5123, 5124, 20103, 20107, 20111, 20112, 20114; 28 U.S.C. 2461 note; and 49 CFR 1.89.

■ 2. Revise § 209.1 to read as follows:

§ 209.1 Purpose.

Appendix A to this part contains a statement of agency policy concerning enforcement of those laws. This part

describes certain procedures employed by the Federal Railroad Administration in its enforcement of statutes and regulations related to railroad safety. By delegation from the Secretary of Transportation, the Administrator has responsibility for:

(a) Enforcement of subchapters B and C of chapter I, subtitle B, title 49, CFR, and 49 U.S.C. ch. 51 and uncodified provisions, with respect to the transportation or shipment of hazardous materials by railroad (49 CFR 1.89(j)); and

(b) Exercise of the authority vested in the Secretary by 49 U.S.C. Subtitle V, Part A (Safety, chapter 201 *et seq.*) and uncodified provisions of the Rail Safety Improvement Act of 2008 (Pub. L. 110–432, Div. A, 122 Stat. 4848) (49 CFR 1.89(a), (b)).

■ 3. Revise § 209.5 to read as follows:

§ 209.5 Service.

(a) Each order, notice, or other document required to be served under ch. II of subtitle B of title 49 of the Code of Federal Regulations must be served by the following method:

(1) Any electronic method of delivery so long as there was no indication received that any transmission had failed; or

(2) In the event an electronic method of delivery is impossible, service may be made by U.S. mail.

(b) Service upon a person’s duly authorized representative constitutes service upon that person.

(c) The date of service will be:

(1) If sent by an electronic method of delivery, the date of electronic transmission to the party to be served.

(2) In the event an electronic method of delivery is impossible, and mailing is used, the postmark date. An official U.S. Postal Service receipt from a registered or certified mailing constitutes *prima facie* evidence of service.

(d) Each pleading must be accompanied by a certificate of service specifying how and when service was made.

(e) When service must occur within a particular timeframe, the date certain when service must be completed will be determined in accordance with the computation of time provisions in Rule 6 of the Federal Rules of Civil Procedure, as amended.

■ 4. Revise § 209.6(a) to read as follows:

§ 209.6 Requests for admission.

(a) A party to any proceeding under subpart B, C, D, or G of this part may serve upon any other party written requests for the admission of the genuineness of any relevant documents identified within the request, the truth

⁶ 66 FR 28355 (May 22, 2001).

of any relevant matters of fact, and the application of law to the facts as set forth in the request.

* * * * *

■ 5. Amend § 209.7 by revising paragraphs (a), (c), (d)(1), (d)(2), and (j) to read as follows:

§ 209.7 Subpoenas; witness fees.

(a) The Chief Counsel may issue a subpoena on the Chief Counsel's own initiative in any matter related to enforcement of the railroad safety laws. However, where a proceeding under subpart B, C, D, or G of this part has been initiated, only the presiding officer may issue subpoenas, and only upon the written request of any party to the proceeding who makes an adequate showing that the information sought will materially advance the proceeding.

* * * * *

(c) A subpoena may be served by any electronic method of delivery so long as there was no indication received that any transmission had failed. In the event an electronic method of delivery is impossible, service may be made by U.S. mail or in person.

(d) * * *

(1) To a natural person by:

(i) Any electronic method of delivery so long as there was no indication received that the transmission failed; or
(ii) Any method whereby actual notice of the issuance and content is given (and the fees are made available) prior to the return date.

(2) To an entity other than a natural person by:

(i) Any electronic method of delivery so long as there was no indication received that the transmission failed; or
(ii) Any method whereby actual notice of the issuance and content is given (and the fees are made available) to a registered agent for service or to any officer, director, or agent in charge of any office of the person, prior to the return date.

* * * * *

(j) Attendance of any FRA employee engaged in an investigation which gave rise to a proceeding under subpart B, C, or G of this part for the purpose of eliciting factual testimony may be assured by filing a request with the Chief Counsel at least fifteen (15) days before the date of the hearing. The request must indicate the present intent of the requesting person to call the employee as a witness and state generally why the witness will be required.

■ 6. Revise § 209.8(a) to read as follows:

§ 209.8 Depositions in formal proceedings.

(a) Any party to a proceeding under subpart B, C, D, or G of this part may

take the testimony of any person, including a party, by deposition upon oral examination on order of the presiding officer following the granting of a motion under paragraph (b) of this section. Depositions may be taken before any disinterested person who is authorized by law to administer oaths. The attendance of witnesses may be compelled by subpoena as provided in § 209.7 and, for proceedings under subpart D of this part, § 209.315.

* * * * *

■ 7. Revise § 209.9 to read as follows:

§ 209.9 Filing.

All materials filed with FRA or any FRA officer in connection with a proceeding under subpart B, C, D, or G of this part shall be submitted to the Assistant Chief Counsel for Safety, Office of the Chief Counsel, Federal Railroad Administration, to *FRALegal@dot.gov*, except that documents produced in accordance with a subpoena shall be presented at the place and time specified by the subpoena.

■ 8. Revise § 209.13 to read as follows:

§ 209.13 Consolidation.

At the time a matter is set for hearing under subpart B, C, D, or G of this part, the Chief Counsel may consolidate the matter with any similar matter(s) pending against the same respondent or with any related matter(s) pending against other respondent(s) under the same subpart. However, on certification by the presiding officer that a consolidated proceeding is unmanageable or otherwise undesirable, the Chief Counsel will rescind or modify the consolidation.

■ 9. Revise § 209.15 to read as follows:

§ 209.15 Rules of evidence.

The Federal Rules of Evidence for United States Courts and Magistrates shall be employed as general guidelines for proceedings under subparts B, C, D, and G of this part. However, all relevant and material evidence shall be received into the record.

■ 10. Revise § 209.105(a) to read as follows:

§ 209.105 Notice of probable violation.

(a) FRA, through the Office of the Chief Counsel, begins a civil penalty proceeding by serving a notice of probable violation on a person charging him or her with having violated one or more provisions of subchapter A or C of chapter I, subtitle B of this title. FRA's website at <https://railroads.dot.gov/> contains guidelines used by the Office of the Chief Counsel in making initial penalty assessments.

* * * * *

■ 11. Revise § 209.109 to read as follows:

§ 209.109 Payment of penalty; compromise.

(a) Payment of a civil penalty must be made via the internet at <https://www.pay.gov/paygov/>. Instructions for online payment are found on the website.

(b) At any time before an order assessing a penalty is referred to the Attorney General for collection, the respondent may offer to compromise for a specific amount by contacting the Office of the Chief Counsel.

■ 12. Amend § 209.303 by revising paragraph (c)(3) to read as follows:

§ 209.303 Coverage.

* * * * *

(c) * * *

(3) Are in a position to direct the commission of violations of any of the requirements of parts 213 through 299 of this title, or any of the requirements of 49 U.S.C. ch. 51, or any regulation or order prescribed thereunder.

■ 13. Revise § 209.335 to read as follows:

§ 209.335 Penalties.

(a) Any individual who violates § 209.331(c) or § 209.333(a) may be permanently disqualified from performing the safety-sensitive functions described in § 209.303. Any individual who willfully violates § 209.331(c) or § 209.333(a) may also be assessed a civil penalty of at least the minimum civil monetary penalty and not more than the ordinary maximum civil monetary penalty per violation. See 49 CFR part 209, appendix A.

(b) Any railroad that violates § 209.331(a) or (b) or § 209.333(b) may be assessed a civil penalty of at least the minimum civil monetary penalty and not more than the ordinary maximum civil monetary penalty per violation. See 49 CFR part 209, appendix A.

(c) Each day a violation continues shall constitute a separate offense.

■ 14. Revise § 209.405(a)(3) to read as follows:

§ 209.405 Reporting of remedial actions.

(a) * * *

(3) *Submission of Form FRA F 6180.96.* The railroad must return the form via email to the FRA Safety Inspector whose name and email address appear on the form.

* * * * *

■ 15. Revise § 209.407(a)(2) to read as follows:

§ 209.407 Delayed reports.

(a) * * *

(2) Sign, date, and submit such written explanation and estimate via email, to the FRA Safety Inspector whose name and email address appear on the notification, within 30 days after the end of the calendar month in which the notification is received.

* * * * *

■ 16. Add subpart G, consisting of §§ 209.601 through 209.621, to read as follows:

Subpart G—Enforcement, Hearing, and Appeal Procedures for Rail Safety Violations

Sec.

209.601 Civil penalties generally.
209.603 Minimum and maximum penalties.
209.605 Demand letter.
209.607 Reply.
209.609 Payment of penalty; compromise.
209.611 Informal response and assessment.
209.613 Request for hearing.
209.615 Hearing.
209.617 Presiding officer's decision.
209.619 Assessment considerations.
209.621 Appeal.

§ 209.601 Civil penalties generally.

(a) Sections 209.601 through 209.621 prescribe rules of procedure for the assessment of civil penalties pursuant to the Federal railroad safety laws, 49 U.S.C. chapters 201 through 213.

(b) When FRA has reason to believe that a person has committed an act which is a violation of any provision of chapter II, subtitle B of this title, or title 49, subtitle V, part A, of the United States Code, for which FRA exercises enforcement responsibility or any waiver or order issued thereunder, it may conduct a proceeding to assess a civil penalty.

§ 209.603 Minimum and maximum penalties.

A person who violates a requirement of the Federal railroad safety laws, an order issued thereunder, chapter II, subtitle B, of this title, or title 49, subtitle V, part A, of the United States Code, is subject to a civil penalty of at least the minimum civil monetary penalty and not more than the ordinary maximum civil monetary penalty per violation. However, penalties may be assessed against individuals only for willful violations, and a penalty not to exceed the aggravated maximum civil monetary penalty per violation may be assessed, where a grossly negligent violation, or a pattern of repeated violations, has created an imminent hazard of death or injury to persons, or a death or injury has occurred. See 49 CFR part 209, appendix A. Each day a violation continues shall constitute a separate offense. See FRA's website at

<https://railroads.dot.gov> for a statement of agency civil penalty policy.

§ 209.605 Demand letter.

(a) FRA, through the Office of the Chief Counsel, begins a civil penalty proceeding by serving a demand letter on a person charging the person with having violated one or more provisions of chapter II, subtitle B of this title, or title 49, subtitle V, part A, of the United States Code. FRA's website at <https://railroads.dot.gov> contains guidelines used by the Office of the Chief Counsel in making initial penalty assessments.

(b) A demand letter issued under this section includes:

- (1) A statement of the provision(s) which the respondent is believed to have violated;
- (2) A statement of the factual allegations upon which the proposed civil penalty is being sought;
- (3) Notice of the maximum amount of civil penalty for which the respondent may be liable;
- (4) Notice of the amount of the civil penalty proposed to be assessed;
- (5) A description of the manner in which the respondent should make payment of any money to the United States;
- (6) A statement of the respondent's right to present written explanations, information or any materials in answer to the charges or in mitigation of the penalty; and
- (7) A statement of the respondent's right to request a hearing and the procedures for requesting a hearing.

(c) FRA may amend the demand letter at any time prior to completion of a fully executed settlement agreement or the entry of an order assessing a civil penalty. If the amendment contains any new material allegation of fact, the respondent is given an opportunity to respond. In an amended demand letter, FRA may change the civil penalty amount proposed to be assessed, up to the maximum penalty amount for each violation. However, if the violation is a grossly negligent violation, or a pattern of repeated violations, that has caused an imminent hazard of death or injury to individuals, or has caused death or injury, FRA may change the penalty amount proposed to be assessed up to the aggravated maximum penalty amount.

§ 209.607 Reply.

(a) Within sixty (60) days of the service of a demand letter issued under § 209.605, the respondent may—

- (1) Pay as provided in § 209.609(a) and thereby close the case;
- (2) Make an informal response as provided in § 209.611; or

(3) Request a hearing as provided in § 209.613.

(b) The Office of the Chief Counsel may extend the sixty (60) days period for good cause shown.

(c) Failure of the respondent to reply by taking one of the three actions described in paragraph (a) of this section, within the period provided, constitutes a waiver of the right to appear and contest the allegations, and authorizes the Office of the Chief Counsel, without further notice to the respondent, to find the facts to be as alleged in the demand letter and to assess an appropriate civil penalty.

§ 209.609 Payment of penalty; compromise.

(a) Payment of a civil penalty must be made via the internet at <https://www.pay.gov/paygov/>. Instructions for online payment are found on the website.

(b) At any time before an order assessing a penalty is referred to the Attorney General for collection, the respondent may offer to compromise for a specific amount by contacting the Office of the Chief Counsel.

§ 209.611 Informal response and assessment.

(a) If a respondent elects to make an informal written response to a demand letter, respondent must submit to the Office of the Chief Counsel such written explanations, information, or other materials as respondent may desire in answer to the charges or in mitigation of the proposed penalty.

(b) Instead of or in addition to an informal written response as described in paragraph (a), an informal response may consist of a request for a conference.

(c) Written explanations, information, or materials submitted by the respondent, and relevant information presented during any conference held under this section, are considered by the Office of the Chief Counsel in reviewing the demand letter and determining the fact of violation and the amount of any penalty to be assessed.

(d) After consideration of an informal response, including any relevant information presented at a conference, the Office of the Chief Counsel may dismiss the demand letter in whole or in part. If the Office of the Chief Counsel does not dismiss it in whole, the Office of the Chief Counsel may enter into a settlement agreement or enter an order assessing a civil penalty.

§ 209.613 Request for hearing.

(a) If a respondent elects to request a hearing, the respondent must submit a

written request to the Office of the Chief Counsel referring to the case number which appeared on the demand letter. The request must—

(1) State the name and email address of the respondent and of the person signing the request, if different from the respondent;

(2) State with respect to each allegation whether it is admitted or denied; and

(3) State with particularity the issues to be raised by the respondent at the hearing.

(b) After a request for hearing that complies with the requirements of paragraph (a) of this section, the Office of the Chief Counsel schedules a hearing for the earliest practicable date.

(c) The Office of the Chief Counsel, or the hearing officer appointed under § 209.615, may grant extensions of the time of the commencement of the hearing for good cause shown.

§ 209.615 Hearing.

(a) When a hearing is requested and scheduled under § 209.613, a hearing officer designated by the Office of the Chief Counsel convenes and presides over the hearing. If requested by respondent, and if practicable, the hearing is held in the general vicinity of the place where the alleged violation occurred, at a place convenient to the respondent, or virtually. Testimony by witnesses shall be given under oath and the hearing shall be recorded verbatim.

(b) The presiding official may:

- (1) Administer oaths and affirmations;
- (2) Issue subpoenas as provided by

§ 209.7;

(3) Adopt procedures for the submission of evidence in written form;

(4) Take or cause depositions to be taken;

(5) Rule on offers of proof and receive relevant evidence;

(6) Examine witnesses at the hearing;

(7) Convene, recess, reconvene, and adjourn and otherwise regulate the course of the hearing;

(8) Hold conferences for settlement, simplification of the issues or any other proper purpose; and

(9) Take any other action authorized by, or consistent with, the provisions of this subpart pertaining to civil penalties and permitted by law that may expedite the hearing or aid in the disposition of an issue raised, therein.

(c) The Office of the Chief Counsel has the burden of providing the facts alleged in the demand letter and may offer such relevant information as may be necessary to inform the presiding officer fully as to the matter concerned.

(d) The respondent may appear and be heard on the respondent's own behalf

or through counsel of the respondent's choice. The respondent or respondent's counsel may offer relevant information, including testimony, which they believe should be considered in defense of the allegations, or that may bear on the penalty proposed to be assessed, and conduct such cross-examination as may be required for a full disclosure of the material facts.

(e) At the conclusion of the hearing, or as soon thereafter as the hearing officer shall provide, the parties may file proposed findings and conclusions, together with supporting reasons.

§ 209.617 Presiding officer's decision.

(a) After consideration of the evidence of record, the presiding officer may dismiss the demand letter in whole or in part. If the presiding officer does not dismiss it in whole, the presiding officer will issue and serve on the respondent an order assessing a civil penalty. The decision of the presiding officer will include a statement of findings and conclusions as well as the reasons therefor on all material issues of fact, law, and discretion.

(b) If, within twenty (20) days after service of an order assessing a civil penalty, the respondent does not pay the civil penalty or file an appeal as provided in § 209.621, the case may be referred to the Attorney General with a request that an action to collect the penalty be brought in the appropriate United States District Court. In the civil action, the amount and appropriateness of the civil penalty shall not be subject to review.

§ 209.619 Assessment considerations.

The assessment of a civil penalty under § 209.617 is made only after considering:

(a) the nature, circumstances, extent, and gravity of the violation;

(b) with respect to the violator, the degree of culpability, any history of violations, the ability to pay, and any effect on the ability to continue to do business; and

(c) other matters that justice requires.

§ 209.621 Appeal.

(a) Any party aggrieved by a presiding officer's decision or order issued under § 209.617 assessing a civil penalty may file an appeal with the Administrator. The appeal must be filed within twenty (20) days of service of the presiding officer's order.

(b) Prior to rendering a final determination on an appeal, the Administrator may remand the case for further proceedings before the hearing officer.

(c) In the case of an appeal by a respondent, if the Administrator affirms

the assessment and the respondent does not pay the civil penalty within twenty (20) days after service of the Administrator's decision on appeal, the matter may be referred to the Attorney General with a request that an action to collect the penalty be brought in the appropriate United States District Court. In the civil action, the amount and appropriateness of the civil penalty shall not be subject to review.

■ 17. Amend appendix A to part 209 by:

■ a. Revising the first paragraph;

■ b. Revising the section under the heading "The Civil Penalty Process;"

■ c. Revising the section under the heading "Civil Penalties Against Individuals;"

■ d. Revising the seventh paragraph under the heading "Penalty Schedules; Assessment of Maximum Penalties;" and

■ e. Revising the section under the heading "Extraordinary Remedies."

The revisions read as follows:

Appendix A to Part 209—Statement of Agency Policy Concerning Enforcement of the Federal Railroad Safety Laws

The Federal Railroad Administration ("FRA") enforces the Federal railroad safety statutes under delegation from the Secretary of Transportation. See 49 CFR 1.88 and 1.89. Those statutes include 49 U.S.C. ch. 201–213 and uncodified provisions of the Rail Safety Improvement Act of 2008 (Pub. L. 110–432, Div. A, 122 Stat. 4848), the Fixing America's Surface Transportation Act (Pub. L. 114–94, Dec. 4, 2015), and the Infrastructure Investment and Jobs Act (Pub. L. 117–58, Nov. 15, 2021). On July 4, 1994, the day before the enactment of Public Law 103–272, 108 Stat. 745, the Federal railroad safety statutes included the Federal Railroad Safety Act of 1970 ("Safety Act"), and a group of statutes enacted prior to 1970 referred to herein collectively as the "older safety statutes:" the Safety Appliance Acts; the Locomotive Inspection Act; the Accident Reports Act; the Hours of Service Act; and the Signal Inspection Act. Effective July 5, 1994, Public Law 103–272 repealed certain general and permanent laws related to transportation, including these rail safety laws (the Safety Act and the older safety statutes), and reenacted them as revised by that law but without substantive change in title 49 of the U.S.C., ch. 201–213. Regulations implementing the Federal rail safety laws are found at 49 CFR parts 209–299. The Rail Safety Improvement Act of 1988 (Pub. L. 100–342, enacted June 22, 1988) ("RSIA") raised the maximum civil penalties available under the railroad safety laws and made individuals liable for willful violations of those laws.

FRA also enforces the hazardous materials transportation laws (49 U.S.C. ch. 51 and uncodified provisions) (formerly the Hazardous Materials Transportation Act, which was also repealed by Public Law 103–272, July 5, 1994, and reenacted as revised but without substantive change) as it pertains

to the shipment or transportation of hazardous materials by rail.

The Civil Penalty Process

The front lines in the civil penalty process are the FRA safety inspectors: FRA employs over 300 inspectors, and their work is supplemented by approximately 200 inspectors from States participating in enforcement of the Federal rail safety laws. These inspectors routinely inspect the equipment, track, and signal systems and observe the operations of the Nation's railroads. They also investigate hundreds of complaints filed annually by those alleging noncompliance with the laws. When an inspection or complaint investigation reveals noncompliance with the laws, each noncomplying condition or action is listed on an inspection report. Where the inspector determines that the best method of promoting compliance is to assess a civil penalty, the inspector prepares a violation report, which is essentially a recommendation to the FRA Office of the Chief Counsel to assess a penalty based on the evidence provided in or with the report.

In determining which instances of noncompliance merit penalty recommendations, the inspector considers:

- (1) The inherent seriousness of the condition or action;
- (2) The kind and degree of potential safety hazard the condition or action poses in light of the immediate factual situation;
- (3) Any actual harm to persons or property already caused by the condition or action;
- (4) The offending person's (*i.e.*, railroad's or individual's) general level of current compliance as revealed by the inspection as a whole;
- (5) The person's recent history of compliance with the relevant set of regulations, especially at the specific location or division of the railroad involved;
- (6) Whether a remedy other than a civil penalty (ranging from a warning on up to an emergency order) is more appropriate under all of the facts; and
- (7) Such other factors as the immediate circumstances make relevant.

The civil penalty recommendation is reviewed at the district level by a specialist in the subject matter involved, who requires correction of any technical flaws and determines whether the recommendation is consistent with national enforcement policy in similar circumstances. Guidance on that policy in close cases is sometimes sought from Office of Railroad Safety headquarters. Violation reports that are technically and legally sufficient and in accord with FRA policy are sent from the district office to the Office of the Chief Counsel.

The exercise of this discretion at the field and headquarters levels is a vital part of the enforcement process, ensuring that the exacting and time-consuming civil penalty process is used to address those situations most in need of the deterrent effect of penalties. FRA exercises that discretion with regard to individual violators in the same manner it does with respect to railroads.

The Office of the Chief Counsel's Office of Safety Law reviews each violation report it receives from the district offices for legal

sufficiency and assesses penalties based on those allegations that survive that review.

Where the violation was committed by a railroad, penalties are assessed by issuance of a penalty demand letter that summarizes the claims, encloses the violation report with a copy of all evidence on which FRA is relying in making its initial charge, and explains that the railroad may pay in full or submit, orally or in writing, information concerning any defenses or mitigating factors. The railroad safety statutes, in conjunction with the Federal Claims Collection Act, authorize FRA to adjust or compromise the initial penalty claims based on a wide variety of mitigating factors. This system permits the efficient collection of civil penalties in amounts that fit the actual offense without resort to time-consuming and expensive litigation.

Once penalties have been assessed, the railroad is given a reasonable amount of time to investigate the charges. Larger railroads usually make their case before FRA in an informal conference covering a number of case files that have been issued and investigated since the previous conference. Thus, in terms of the negotiating time of both sides, economies of scale are achieved that would be impossible if each case were negotiated separately. The settlement conferences include technical experts from both FRA and the railroad as well as lawyers for both parties. In addition to allowing the two sides to make their cases for the relative merits of the various claims, these conferences also provide a forum for addressing current compliance problems. Smaller railroads usually prefer to handle negotiations through email or over the phone, often on a single case at a time. Once the two sides have agreed to an amount on each case, that agreement is put in writing and a payment is submitted to FRA's accounting division covering the full amount agreed on.

Civil Penalties Against Individuals

The RSIA amended the penalty provisions of the railroad safety statutes to make them applicable to any "person (including a railroad and any manager, supervisor, official, or other employee or agent of a railroad)" who fails to comply with the regulations or statutes, *e.g.*, section 3 of the RSIA, amending section 209 of the Safety Act. However, the RSIA also provided that civil penalties may be assessed against individuals "only for willful violations."

Thus, any individual meeting the statutory description of "person" is liable for a civil penalty for a willful violation of, or for willfully causing the violation of, the safety statutes or regulations. Of course, as has traditionally been the case with respect to acts of noncompliance by railroads, the FRA field inspector exercises discretion in deciding which situations call for a civil penalty assessment as the best method of ensuring compliance. The inspector has a range of options, including an informal warning, a more formal warning letter issued by the Office of the Chief Counsel, recommendation of a civil penalty assessment, recommendation of disqualification or suspension from safety-sensitive service, or, under the most extreme circumstances, recommendation of emergency action.

The threshold question in any alleged violation by an individual will be whether that violation was "willful." (Note that section 3(a) of the RSIA, which authorizes suspension or disqualification of a person whose violation of the safety laws has shown the person to be unfit for safety-sensitive service, does not require a showing of willfulness. Regulations implementing that provision are found at 49 CFR part 209, subpart D.) FRA proposed this standard of liability when, in 1987, it originally proposed a statutory revision authorizing civil penalties against individuals. FRA believed then that it would be too harsh a system to collect fines from individuals on a strict liability basis, as the safety statutes permit FRA to do with respect to railroads. FRA also believed that even a reasonable care standard (*e.g.*, the Hazardous Materials Transportation Act's standard for civil penalty liability, 49 U.S.C. 5123) would subject individuals to civil penalties in more situations than the record warranted. Instead, FRA wanted the authority to penalize those who violate the safety laws through a purposeful act of free will.

Thus, FRA considers a "willful" violation to be one that is an intentional, voluntary act committed either with knowledge of the relevant law or reckless disregard for whether the act violated the requirements of the law. Accordingly, neither a showing of evil purpose (as is sometimes required in certain criminal cases) nor actual knowledge of the law is necessary to prove a willful violation, but a level of culpability higher than negligence must be demonstrated. *See Trans World Airlines, Inc. v. Thurston*, 469 U.S. 111 (1985); *Brock v. Morello Bros. Constr., Inc.*, 809 F.2d 161 (1st Cir. 1987); and *Donovan v. Williams Enterprises, Inc.*, 744 F.2d 170 (D.C. Cir. 1984).

Reckless disregard for the requirements of the law can be demonstrated in many ways. Evidence that a person was trained on or made aware of the specific rule involved—or, as is more likely, its corresponding industry equivalent—would suffice. Moreover, certain requirements are so obviously fundamental to safe railroading (*e.g.*, the prohibition against disabling an automatic train control device) that any violation of them, regardless of whether the person was actually aware of the prohibition, should be seen as reckless disregard of the law. *See Brock, supra*, 809 F.2d 164. Thus, a lack of subjective knowledge of the law is no impediment to a finding of willfulness. If it were, a mere denial of knowledge of the content of the particular regulation would provide a defense. Having proposed use of the word "willful," FRA believes it was not intended to insulate from liability those who simply claim—contrary to the established facts of the case—they had no reason to believe their conduct was wrongful.

A willful violation entails knowledge of the facts constituting the violation, but actual, subjective knowledge need not be demonstrated. It will suffice to show objectively what the alleged violator must have known of the facts based on reasonable inferences drawn from the circumstances. For example, a person shown to have been responsible for performing an initial terminal

air brake test that was not in fact performed would not be able to defend against a charge of a willful violation simply by claiming subjective ignorance of the fact that the test was not performed. If the facts, taken as a whole, demonstrated that the person was responsible for doing the test and had no reason to believe it was performed by others, and if that person was shown to have acted with actual knowledge of or reckless disregard for the law requiring such a test, the person would be subject to a civil penalty.

This definition of “willful” fits squarely within the parameters for willful acts laid out by Congress in the RSIA and its legislative history. Section 3(a) of the RSIA amends the Safety Act to provide:

For purposes of this section, an individual shall be deemed not to have committed a willful violation where such individual has acted pursuant to the direct order of a railroad official or supervisor, under protest communicated to the supervisor. Such individual shall have the right to document such protest.

As FRA made clear when it recommended legislation granting individual penalty authority, a railroad employee should not have to choose between liability for a civil penalty or insubordination charges by the railroad. Where an employee (or even a supervisor) violates the law under a direct order from a supervisor, the employee does not do so of the employee’s free will. Thus, the act is not a voluntary one and, therefore, not willful under FRA’s definition of the word. Instead, the action of the person who has directly ordered the commission of the violation is itself a willful violation subjecting that person to a civil penalty. As one of the primary sponsors of the RSIA said on the Senate floor:

This amendment also seeks to clarify that the purpose of imposing civil penalties against individuals is to deter those who, of their free will, decide to violate the safety laws. The purpose is not to penalize those who are ordered to commit violations by those above them in the railroad chain of command. Rather, in such cases, the railroad official or supervisor who orders the others to violate the law would be liable for any violations his order caused to occur. One example is the movement of railroad cars or locomotives that are actually known to contain certain defective conditions. A train crew member who was ordered to move such equipment would not be liable for a civil penalty, and that his participation in such movements could not be used against him in any disqualification proceeding brought by FRA.

133 Cong. Rec. S.15899 (daily ed. Nov. 5, 1987) (remarks of Senator Exon).

It should be noted that FRA will apply the same definition of “willful” to corporate acts as is set out here with regard to individual violations. Though railroads are strictly liable for violations of the railroad safety laws and deemed to have knowledge of those laws, FRA’s penalty schedules contain, for each regulation, a separate amount earmarked as the initial assessment for willful violations. Where FRA seeks such an extraordinary penalty from a railroad, it will apply the

definition of “willful” set forth above. In such cases—as in all civil penalty cases brought by FRA—the aggregate knowledge and actions of the railroad’s managers, supervisors, employees, and other agents will be imputed to the railroad. Thus, in situations that FRA decides warrant a civil penalty based on a willful violation, FRA will have the option of citing the railroad and/or one or more of the individuals involved. In cases against railroads other than those in which FRA alleges willfulness or in which a particular regulation imposes a special standard, the principles of strict liability and presumed knowledge of the law will continue to apply.

The RSIA gives individuals the right to protest a direct order to violate the law and to document the protest. FRA will consider such protests and supporting documentation in deciding whether and against whom to cite civil penalties in a particular situation. Where such a direct order has been shown to have been given as alleged, and where such a protest is shown to have been communicated to the supervisor, the person or persons communicating it will have demonstrated their lack of willfulness. Any documentation of the protest will be considered along with all other evidence in determining whether the alleged order to violate was in fact given.

However, the absence of such a protest will not be viewed as warranting a presumption of willfulness on the part of the employee who might have communicated it. The statute says that a person who communicates such a protest shall be deemed not to have acted willfully; it does not say that a person who does not communicate such a protest will be deemed to have acted willfully. FRA would have to prove from all the pertinent facts that the employee willfully violated the law. Moreover, the absence of a protest would not be dispositive with regard to the willfulness of a supervisor who issued a direct order to violate the law. That is, the supervisor who allegedly issued an order to violate will not be able to rely on the employee’s failure to protest the order as a complete defense. Rather, the issue will be whether, in view of all pertinent facts, the supervisor intentionally and voluntarily ordered the employee to commit an act that the supervisor knew would violate the law or acted with reckless disregard for whether it violated the law.

FRA exercises the civil penalty authority over individuals through procedures very similar to those used with respect to railroad violations. However, FRA varies those procedures somewhat to account for differences that may exist between the railroad’s ability to defend itself against a civil penalty charge and an individual’s ability to do so. First, when the field inspector decides that an individual’s actions warrant a civil penalty recommendation and drafts a violation report, the Office of Railroad Safety informs the individual in writing of its intention to seek assessment of a civil penalty and the fact that a violation report has been transmitted to the Office of the Chief Counsel. This ensures that the individual has the opportunity to seek counsel, preserve documents, or take any

other necessary steps to aid the individual’s defense at the earliest possible time.

Second, if the Office of the Chief Counsel concludes that the case is meritorious and issues a penalty demand letter, that letter makes clear that FRA encourages discussion of any defenses or mitigating factors the individual may wish to raise. That letter also advises the individual that the individual may wish to obtain representation by an attorney and/or labor representative. During the negotiation stage, FRA considers each case individually on its merits and gives due weight to whatever information the alleged violator provides.

Finally, in the unlikely event that a settlement cannot be reached, the individual may request an administrative hearing, or FRA may issue an order assessing civil penalty, per the enforcement, hearing, and appeal procedures for rail safety violations in part 209, subpart G.

FRA believes that the intent of Congress would be violated if individuals who agree to pay a civil penalty or are ordered to do so by a court are indemnified for that penalty by the railroad or another institution (such as a labor organization). Congress intended that the penalties have a deterrent effect on individual behavior that would be lessened, if not eliminated, by such indemnification.

Penalty Schedules; Assessment of Maximum Penalties

* * * * *

FRA’s traditional practice has been to issue penalty schedules assigning to each particular regulation or order specific dollar amounts for initial penalty assessments. The schedule (except where issued after notice and an opportunity for comment) constitutes a statement of agency policy and was issued historically as an appendix to the relevant part of the Code of Federal Regulations. Schedules are now published on FRA’s website at <https://railroads.dot.gov/>, and they are adjusted yearly for inflation. As of December 30, 2024, for each regulation in this part or order, the schedule shows two amounts within the \$1,114 to \$36,439 range in separate columns, the first for ordinary violations, the second for willful violations (whether committed by railroads or individuals). In one instance—49 CFR part 231—the schedule refers to sections of the relevant FRA defect code rather than to sections of the CFR text. Of course, the defect code, which is simply a reorganized version of the CFR text used by FRA to facilitate computerization of inspection data, is substantively identical to the CFR text.

* * * * *

Extraordinary Remedies

While civil penalties are the primary enforcement tool under the Federal railroad safety laws, more extreme measures are available under certain circumstances. FRA has authority to issue orders directing compliance with the Federal Railroad Safety Act, the Hazardous Materials Transportation Act, the older safety statutes, or regulations issued under any of those statutes. Such an order may issue only after notice and opportunity for a hearing in accordance with the procedures set forth in 49 CFR part 209,

subpart C. FRA inspectors also have the authority to issue a special notice requiring repairs where a locomotive or freight car is unsafe for further service or where a segment of track does not meet the standards for the class at which the track is being operated. Such a special notice may be appealed in accordance with 49 CFR part 216, subpart B.

FRA may, through the Attorney General, also seek injunctive relief in Federal district court to restrain violations or enforce rules issued under the railroad safety laws. See 49 U.S.C. 20112.

FRA also has the authority to issue, after notice and an opportunity for a hearing, an order prohibiting an individual from performing safety-sensitive functions in the rail industry for a specified period. This disqualification authority is exercised under procedures found at 49 CFR part 209, subpart D.

Criminal penalties are available for knowing violations of 49 U.S.C. 5104(b), or for willful or reckless violations of the Federal hazardous materials transportation law or a regulation issued under that law. See 49 U.S.C. ch. 51, and 49 CFR 209.131, 209.133. Criminal penalties may also be available for certain record and report violations. 49 U.S.C. 21311.

Perhaps FRA's most sweeping enforcement tool is its authority to issue emergency safety orders where "an unsafe condition or practice, or a combination of unsafe conditions or practices, causes an emergency situation involving a hazard of death, personal injury, or significant harm to the environment" See 49 U.S.C. 20104. After its issuance, such an order may be reviewed in a trial-type hearing. See 49 CFR 211.47 and 216.21 through 216.27. The emergency order authority is unique because it can be used to address unsafe conditions and practices whether or not they contravene

an existing regulatory or statutory requirement. Given its extraordinary nature, FRA has used the emergency order authority sparingly.

■ 18. Amend appendix B to part 209 by revising the sixth sentence of the third paragraph. The revisions read as follows:

Appendix B to Part 209—Federal Railroad Administration Guidelines for Initial Hazardous Materials Assessments

* * * * *

* * * FRA periodically makes minor updates and revisions to these guidelines, and the most current version may be found on FRA's website at <https://railroads.dot.gov/>.

■ 19. Amend appendix C to part 209, by:

■ a. Under the heading "Small Entity Communication Policy,"

■ i. Revising the third paragraph; and

■ ii. Revising the last sentence of the fourth paragraph.

■ b. Under the heading "Small Entity Enforcement Policy," revising the third paragraph.

The revisions read as follows:

Appendix C to Part 209—FRA's Policy Statement Concerning Small Entities

* * * * *

Small Entity Communication Policy

* * * * *

It is FRA's policy to maintain frequent and open communications with the national representatives of the primary small entity associations and to consult with these organizations before embarking on new

policies that may impact the interests of small businesses. Additionally, FRA's Office of Railroad Safety has two Safety Management Teams dedicated to short line railroads and staff from those Safety Management Teams regularly meet with short line railroads that meet FRA's definition of "small entities" to discuss new regulations, persistent safety concerns, emerging technology, compliance issues, and any other relevant issues related to railroad safety. Contact information for each of FRA's Safety Management Teams is available online at <https://railroads.dot.gov>.

* * * Finally, FRA's website (<https://railroads.dot.gov/>) makes pertinent agency information available to the public.

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Small Entity Enforcement Policy

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Finally, FRA works to identify systemic safety hazards that continue to occur in carrier or shipper operations, including small business operations. Often FRA personnel will work to assist the subject operations to develop a plan to address those hazards and often, the plan provides small entities with a reasonable timeframe in which to make improvements without the threat of civil penalty. If FRA determines that the entity has failed to comply with the improvement plan, however, enforcement action is initiated.

* * * * *

Issued in Washington, DC, under authority delegated in 49 CFR 1.89.

David A. Fink,
Administrator.

[FR Doc. 2026-08021 Filed 4-23-26; 8:45 am]

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Proposed Rules

Federal Register

Vol. 91, No. 79

Friday, April 24, 2026

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.

OFFICE OF PERSONNEL MANAGEMENT

5 CFR Parts 535 and 752

[Docket ID: OPM–2026–0232]

RIN 3206–AP02

Critical Position Pay Authority

AGENCY: Office of Personnel Management.

ACTION: Proposed rule.

SUMMARY: The Office of Personnel Management (OPM) proposes to amend its regulations governing the critical position pay authority to establish level I of the Executive Schedule as the default maximum critical pay rate, with higher rates subject to written approval by the Director of OPM; eliminate non-statutory caps and approval criteria; address the use of service agreements; clarify reductions or terminations of critical position pay are not adverse actions or subject to grievance or appeal rights; and clarify the treatment of critical pay rates as basic pay. This proposed rule simplifies and better aligns OPM's regulations with governing law and delegated authority.

DATES: Send comments on or before May 26, 2026.

ADDRESSES: You may submit comments using the Federal Rulemaking Portal: <https://www.regulations.gov>. Follow the instructions for submitting comments.

The general policy for comments from members of the public is to make them available for public viewing at <https://www.regulations.gov> without change, including any personal identifiers or contact information. However, OPM retains discretion to redact personal or sensitive information from comments before they are posted.

As required by 5 U.S.C. 553(b)(4), a summary of this rule may be found in the docket for this rulemaking at www.regulations.gov.

FOR FURTHER INFORMATION CONTACT:

Kristen Foy by telephone at (202) 606–2858 or by email at paypolicy@opm.gov.

SUPPLEMENTARY INFORMATION:

I. Background

Section 5377 of title 5, United States Code, authorizes critical position pay as a pay-setting flexibility for positions requiring expertise of an extremely high level in a scientific, technical, professional, or administrative field and that are critical to an agency's successful accomplishment of an important mission. Under this authority, the Office of Personnel Management (OPM), in consultation with the Office of Management and Budget (OMB), may grant authority to the head of an agency to fix the rate of basic pay for one or more positions designated as critical positions. By law, critical pay may be granted or exercised only to the extent necessary to recruit or retain an individual exceptionally well qualified for the position. The critical pay rate fixed by an agency may not be less than the rate of basic pay (including any locality-based comparability payments) which would otherwise be payable for the position. OPM, in consultation with OMB, may approve critical pay authority for no more than 800 positions at any time, of which not more than 30 may be under the Executive Schedule.

Consistent with this statute, 5 CFR part 535 establishes the regulatory framework governing the request, use, and administration of the critical position pay authority. Section 535.103 describes the circumstances under which an agency head may exercise critical position pay authority and sets the limitations on pay rates that may be established. Under current regulations, 5 CFR 535.103(a) provides that, subject to approval by OPM in consultation with OMB, an agency head may set the rate of basic pay for a critical position up to the following limits: the rate payable for level II of the Executive Schedule (EX–II) in most cases, the rate payable for EX–I when there are “exceptional circumstances,” or above the rate for EX–I in “rare circumstances” and only with the written approval of the President.

Section 535.104 establishes the process and documentation required for an agency to request use of the critical position pay authority. Under the law, an agency may request critical position pay only to the extent necessary to fill a position with an exceptionally well-qualified individual. For requests

seeking to set pay above the rate for EX–II and up to the rate for EX–I, § 535.104(c) requires information and data to justify the higher pay. For requests to set pay above the rate for EX–I, § 535.104(c) states that such requests require approval by the President. Under current regulations, if OPM, in consultation with OMB, concurs with a request to set pay above the rate EX–I, OPM must seek the President's approval, and the President may establish a maximum limitation on such critical position pay rates. Since this provision was codified in 2008, no agency has ever requested critical pay rates above EX–I. While multiple factors may contribute to this limited use, OPM's experience suggests that burdensome regulatory requirements, including additional approval layers and undefined criteria, has contributed to agencies' reluctance to request use of this flexibility.

II. History

The current critical position pay authority under 5 U.S.C. 5377 was enacted as part of the Federal Employees Pay Comparability Act of 1990 (Pub. L. 101–509), which allowed OMB to authorize use of the authority in consultation with OPM. The most significant amendment to this statute was made by the Federal Workforce Flexibility Act of 2004 (Pub. L. 108–411) to switch the original roles of OMB and OPM by placing OPM in charge of decisions to approve agency requests after consulting with OMB. The law was also amended to authorize OPM to regulate the critical position pay authority in place of OMB. See 5 U.S.C. 5377(e)(1).

Under 5 U.S.C. 5377, the President holds two functions. Under paragraph (d)(2), the President must provide written approval to fix basic pay at a rate greater than the rate payable for level I of the Executive Schedule. Under paragraph (i)(2), at the request of an agency head, the President may designate 1 or more categories of positions within that agency to be treated as positions eligible to receive critical position pay.

Under 3 U.S.C. 301, the President may delegate certain functions to other officials within the executive branch. In 2006, the President expressly delegated his authorities under 5 U.S.C. 5377 to the Director of OPM in E.O. 13415. (71

FR 70641). OPM issued final regulations at 5 CFR part 535 governing the critical pay authority on August 26, 2008, (73 FR 50181) that addressed OPM's authority under 5 U.S.C. 5377(i)(2) (dealing with expanding the categories of positions for which the critical pay authority may be used), as delegated by the E.O. See 5 CFR 535.104(b). However, OPM did not implement its delegated authority with regard to setting critical pay rates above the rate for EX-I under 5 U.S.C. 5377(d)(2), making the current regulations inconsistent with the delegation framework established by E.O. 13415.

In practice, agencies have relied more frequently on other pay flexibilities to address recruitment and retention needs. These include governmentwide authorities such as recruitment, relocation, and retention incentives under 5 U.S.C. 5753 and 5754, special salary rates under 5 U.S.C. 5305, and pay-setting flexibilities under the General Schedule (GS) and other pay systems, as well as agency specific authorities that provide enhanced pay flexibility for certain categories of employees. Compared to these other tools, the critical position pay authority has been used sparingly. Aligning OPM's regulations with the delegation framework established by E.O. 13415 is intended to ensure that agencies can more efficiently make use of this statutory authority, including in conjunction with other available pay flexibilities, when addressing mission-critical staffing needs.

III. Proposed Changes to OPM's Critical Pay Approval Authority

OPM proposes to revise 5 CFR 535.103 and 535.104 to remove the requirement for an additional, case-by-case written Presidential approval for critical pay rates in excess of the rate for EX-I, as the delegation in E.O. 13415 constitutes that written approval. Under the proposed rule, approval authority for rates established above EX-I will reside with the Director of OPM, in consultation with OMB, consistent with E.O. 13415. OPM also proposes to streamline § 535.104 to better align the regulatory approval criteria with statutory language.

OPM proposes to remove the "rare circumstances" criterion for approving critical pay rates above the rate for EX-I in §§ 535.103 and 535.104. The requirement that rates exceeding EX-I be established only in "rare circumstances" was created by OPM via rulemaking and is not required by statute. In addition, the regulation provides no guidance on what constitutes "rare circumstances."

Removing this language promotes consistent and transparent administration of the critical position pay authority while preserving all statutory criteria governing approval.

OPM acknowledges that removing the "rare circumstances" criterion may result in an increased number of requests for higher pay rates, reflecting a broader range of situations in which agencies may seek to use the authority. However, the statutory eligibility criteria under 5 U.S.C. 5377(b) continue to limit use of the authority to positions critical to an agency's mission and only to the extent necessary to recruit or retain an exceptionally well-qualified individual. Thus, the proposed rule replaces undefined and subjective regulatory criteria with a framework grounded in statutory requirements and supported by objective, evidence-based justification, including labor market considerations. This proposed change remains limited by the statutory scope of the critical position pay authority and allows OPM, in consultation with OMB and based on an agency head's request, to determine when critical pay rates are appropriate in each circumstance.

OPM proposes to amend §§ 535.103(a), 535.104(c)), and 535.105(b) and (c) to remove the exceptional circumstances criterion for approving, setting, and adjusting critical pay rates above the rate for EX-II to the rate for EX-I. The law does not prescribe criteria that limits critical pay rates above EX-II and the regulations do not define "exceptional circumstances." In practice, given the statute's high bar for approving critical pay in 5 U.S.C. 5377(b), "exceptional circumstances" (like "rare circumstances") are difficult to identify and distinguish among eligible positions and thus can serve as an artificial barrier to appropriate uses of this pay flexibility. Under the proposed rule, the rate payable for EX-I would serve as the default maximum rate for critical position pay consistent with the law, with rates above EX-I requiring written approval by the Director of OPM.

OPM proposes to remove the requirement in § 535.104(b) that agencies must submit requests covering multiple positions in priority order. OPM could better address prioritization administratively, if necessary, in consultation with agencies following submission of requests. Removing this requirement eliminates an unnecessary procedural constraint and is consistent with the rule's broader objective of replacing rigid regulatory requirements with more flexible, administratively managed processes.

Finally, because critical position pay may be authorized only for positions "critical to the agency's successful accomplishment of an important mission" (5 U.S.C. 5377(b)), it is essential that the agency head (or authorized delegatee) has sole and exclusive authority in making the judgment regarding whether and how the critical position pay authority is used. We have revised § 535.303(a) to reflect this.

IV. Proposed Changes on Treatment as Basic Pay

OPM also proposes to amend 5 CFR 535.106 to clarify that a critical pay rate is not considered a rate of basic pay in applying the GS pay administration rules in 5 CFR part 531, subpart B, which apply to GS rates of basic pay. An employee in a critical pay position is entitled to a (1) critical pay rate fixed by the agency head or designee under 5 U.S.C. 5377 and 5 CFR part 535 and (2) lower, underlying rate of basic pay that would otherwise be payable for his or her position if not for the critical pay authorization. (See 5 U.S.C. 5377(d)(1) and 5 CFR 535.105(a).) For an employee in a GS position receiving critical pay, the rate that would be otherwise payable is a GS rate of basic pay authorized under 5 U.S.C. chapter 53, subchapter III and 5 CFR part 531, subpart B. Since a critical pay rate is authorized under 5 U.S.C. 5377 and 5 CFR part 535, it is not a GS rate of basic pay for purposes of the GS pay administration rules, such as the GS two-step promotion rule at 5 U.S.C. 5334(b) and 5 CFR 531.214. Proposed new paragraph (c) also references an exception in § 531.221(a)(4), which currently allows a critical pay rate to be treated as a non-GS rate of basic pay in applying the GS maximum payable rate rule in §§ 531.221 through 531.223. This pay-setting flexibility would continue and allows an agency to set pay for an employee in a GS position at a step rate (not to exceed step 10 of the grade) based on a former critical pay rate as long as it is higher than the rate the employee is otherwise entitled to under the normal GS pay-setting rules.

V. Proposed Changes on Service Agreements and Appeal/Grievance Rights

OPM proposes adding a new paragraph (e) to 5 CFR 535.103 to address the use of written service agreements in connection with critical position pay.

The proposed regulations would authorize agencies to require that an employee sign a written service agreement with the agency that governs

future payments of critical position pay. Also, OPM would be authorized to require an agency to establish written service agreement or notice requirements as part of its determination to approve (or not withdraw) critical position pay. OPM may specify the matters such a service agreement or notice must address, such as the position the employee will hold and the duties the employee is expected to perform; the level of performance and accomplishments expected; and the factors that an agency must consider in determining whether to continue, increase, reduce, or terminate the employee's critical position pay rate.

OPM proposes adding a new paragraph (f) to 5 CFR 535.103 to make clear that an employee has no right to grieve or appeal a decision to reduce, not increase, or terminate a critical position pay rate. Section 535.106(b) already provides that a reduction or termination of a critical position pay rate is not an adverse action under 5 U.S.C. 7512.

In addition, OPM proposes to amend 5 CFR part 752 to clarify that a reduction or termination of a critical position pay rate under 5 U.S.C. 5377 does not constitute an adverse action when the employee has been informed that the rate is time-limited, subject to annual review, and may be reduced or terminated if no longer necessary. OPM's proposed addition to the adverse action coverage exclusions in 5 CFR 752.401(b)(18) is intended to clarify that certain reductions or terminations of a critical position pay rate are part of a discretionary, time-limited pay-setting and continuation framework under 5 U.S.C. 5377, rather than a disciplinary 'reduction in pay' that triggers chapter 75 procedures and Merit Systems Protection Board (MSPB) appeal rights. Section 5377 authorizes OPM to grant critical pay authority and to determine, under procedures and 'terms or conditions' prescribed by regulation, when that authority should terminate because the statutory requirements are no longer met. 5 U.S.C. 5377(e)(1). Consistent with that structure, OPM's current regulation treats a critical position pay rate as basic pay for most purposes, but provides that the adverse action provisions (e.g., 5 U.S.C. 7512) do not apply to critical position pay determinations. See 5 CFR 535.106(b). Proposed § 752.401(b)(18) reinforces this interpretation directly in the chapter 75 implementing regulations. It does so using the same "notice and limited duration" approach already employed elsewhere in part 752. (See, for example, § 752.401(b)(12) (termination of temporary or term

promotions)). If the employee was informed that the critical position pay rate is approved on a time-limited basis, subject to annual review and reapproval, and may be reduced or terminated if determined to no longer be needed, then a later reduction or termination of the rate is excluded from adverse action coverage. This exclusion also reflects that, once OPM or the agency determines the statutory standard is no longer met, continued payment of the higher rate would be inconsistent with the governing critical pay determination and implementing regulations, and a prospective adjustment aligns the rate with what is legally payable.

The proposed amendment to 5 CFR part 752 is also consistent with 5 U.S.C. 5377(e), which authorizes OPM to prescribe the terms and conditions under which critical position pay authority is exercised and terminated.

OPM requests comment on these proposals and the potential impacts on agencies and employees.

VI. Rationale

The proposed amendment modernizes regulatory procedures to accurately reflect existing delegated authority. The proposed amendment:

- Aligns OPM's regulations with 5 U.S.C. 5377 and E.O. 13415;
- Eliminates non-statutory procedural constraints;
- Simplifies the regulatory structure by eliminating the EX-II threshold;
- Improves the timely use of critical position pay authority for mission-essential roles;
- Reduces administrative burden and approval delays;
- Maintains all statutory oversight safeguards;
- Provides authority for use of service agreements;
- Makes clear that an employee has no right to grieve or appeal a decision to reduce, not increase, or terminate a critical position pay rate;
- Clarifies, through conforming amendment to 5 CFR part 752, that reductions or terminations of critical position pay do not constitute adverse actions; and
- Clarifies current pay administration authorities.

This proposed change eliminates undefined and subjective eligibility criteria and retains the statutory, transparent and evidence-based eligibility criteria. Critical position pay will continue to be approved only to the extent necessary to recruit or retain exceptionally well-qualified individuals. OPM will continue to monitor appropriate use of authorized

critical pay positions through its annual report to Congress requirement under 5 U.S.C. 5377(h) and 5 CFR 535.107.

OPM intends that the provisions of this rule be severable. If any provision of this rule is held to be invalid or unenforceable, such holding is not intended to affect the validity or operation of the remaining provisions. The amendments in this rule address distinct aspects of the administration of the critical position pay authority and are designed to operate independently consistent with 5 U.S.C. 5377. For example, if a court were to find the service agreement provisions in § 535.103(e) to be invalid or unenforceable, agencies could continue to apply the revised pay-setting and approval framework under §§ 535.103(a), 535.104, and 535.105 without impact. Conversely, if a court were to find the pay-setting and approval framework under §§ 535.103(a), 535.104, and 535.105 to be invalid or unenforceable, agencies could continue to apply the service agreement provisions in § 535.103(e) without impact.

VII. Regulatory Impact Analysis

Statement of Need

OPM is issuing this proposed rule pursuant to 5 U.S.C. 5377 and E.O. 13415. The purpose of amending these regulations is to align them with existing authority delegated to the Director of OPM.

Impact

Under the critical position pay authority, not more than 800 positions may be covered Governmentwide at any one time, and not more than 30 active authorizations may be for positions otherwise paid rates of pay under the Executive Schedule. In 2024, OPM continued to authorize critical position pay for 60 positions in 15 agencies. However, only 7 of those agencies reported using the critical position pay authority during 2024 for 10 total incumbents. Based on preliminary data for OPM's 2025 report, the number of positions using the critical position pay authority continued to be low.

Considering the limited number of employees that may be affected, OPM does not anticipate that this proposed rule will substantially impact local economies or have a large impact on local labor markets.

Costs

OPM expects that the proposed amendments may result in some increase in the use of the critical position pay authority including

approval for certain positions at rates above the rate for level I of the Executive Schedule (EX-I). Removing the requirement for case-by-case Presidential approval and eliminating the “rare circumstances” and “exceptional circumstances” criteria may reduce administrative barriers and make the authority more accessible to agencies.

Because use of the authority is highly case-specific and dependent on agency mission needs, labor market conditions, and budget constraints, OPM cannot precisely project the magnitude of any future increase in utilization. However, OPM has developed a reasonable illustrative estimate based on the statutory cap of 800 authorized positions Governmentwide.

For example, if up to one-half of the authorized positions (approximately 400 positions) were approved at rates above EX-I as a result of the proposed changes, and if the average increase above EX-I were between \$50,000 and \$100,000 per position annually, the resulting incremental cost to the government could range from approximately \$20 million to \$40 million per year. This estimate is illustrative and does not represent a prediction of actual costs to the government. Actual impacts will depend on agency-specific decisions and workforce needs. Note that these effects are considered transfers.

There are also several factors expected to constrain the potential impact. These include the statutory cap on the number of positions authorized, the requirement for OPM approval in consultation with OMB, the requirement that agencies justify higher pay based on objective, market-based evidence, budgetary constraints, the statutory “necessary to recruit or retain” standard in 5 U.S.C. 5377(b), and the addition of service agreements. Agency reports for the statutory annual report to Congress in 5 U.S.C. 5377(h) and 5 CFR 535.107 will continue to allow OPM to track and monitor approved critical pay authorizations, and agencies must continue to address whether their critical pay authorizations are still needed in their annual reports (see 5 CFR 535.107(a)(5)). Administrative costs as described above will be incurred to the extent that this flexibility is utilized. Because of these factors, OPM expects use will remain limited and targeted only to mission critical positions that will enhance Federal operations when they are filled with exceptionally qualified individuals.

Benefits

This proposed rule has important benefits. As previously stated, the proposed amendment eliminates non-statutory procedural constraints, improves the timely use of critical position pay authority for mission-essential roles, and reduces administrative burden and approval delays that might otherwise result.

Effective Date

OPM plans to waive the 30-day delayed effective date of the final rule pursuant to 5 U.S.C. 553(d)(1), as this rule relieves restrictions that are not required by statute. Prompt implementation of the final rule will assist agencies in filling critical skills gaps and meeting recruitment and retention needs essential to supporting agency missions. See, e.g., “Building the AI Workforce of the Future,” Dec. 15, 2025, available at <https://www.opm.gov/chcoc/latest-memos/building-the-ai-workforce-of-the-future.pdf>; and “Human Resources Flexibilities for Recruiting and Retaining Information Technology, Cyber, Artificial Intelligence, and Other Technical Employees,” Dec. 17, 2025, available at <https://www.opm.gov/chcoc/latest-memos/human-resources-flexibilities-for-recruiting-and-retaining-information-technology-cyber-artificial-intelligence-and-other-technical-employees.pdf>.

Regulatory Review

OPM has examined the impact of this rule as required by E.O.s 12866 and 13563, which 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 must be prepared for rules that have an annual effect on the economy of \$100 million or more or adversely affect in a material way the economy, a sector of the economy, productivity, competition, jobs, the environment, public health or safety, or State, local, or tribal governments or communities. This rulemaking does not reach that threshold but has otherwise been designated as a “significant regulatory action” under section 3(f) of E.O. 12866. This rule is not considered a regulatory action under E.O. 14192 because it imposes no more than de minimis costs.

Regulatory Flexibility Act

The Director of OPM certifies that this rule would not have a significant

economic impact on a substantial number of small entities as it would only impact Federal agencies and employees.

Federalism

OPM has examined this rule in accordance with E.O. 13132, Federalism, and has determined that this rule will not have any negative impact on the rights, roles and responsibilities of State, local, or Tribal governments.

Civil Justice Reform

This rulemaking meets the applicable standard set forth in section 3(a) and (b)(2) of E.O. 12988.

Unfunded Mandates Reform Act of 1995

This rulemaking will not result in the expenditure by State, local, and Tribal governments, in the aggregate, or by the private sector, of \$100 million or more in any year in 1995 dollars, updated annually for inflation. That threshold is currently approximately \$206 million. This rulemaking will not significantly or uniquely affect small governments. Therefore, no actions were deemed necessary under the provisions of the Unfunded Mandates Reform Act of 1995.

Paperwork Reduction Act

This rulemaking does not impose any reporting or record-keeping requirements subject to the Paperwork Reduction Act.

List of Subjects

5 CFR Part 535

Administrative practice and procedure, Freedom of information, Government employees, Law enforcement officers, Reporting and recordkeeping requirements, Wages.

5 CFR Part 752

Administrative practice and procedure, Government employees.

Signing Statement

The Director of OPM, Scott Kupor, reviewed and approved this document and has authorized the undersigned to electronically sign and submit this document to the Office of the Federal Register for publication.

Office of Personnel Management.

Jerson Matias,
Federal Register Liaison.

Accordingly, OPM is proposing to amend 5 CFR parts 535 and 752 as follows:

PART 535—CRITICAL POSITION PAY AUTHORITY

■ 1. The authority citation for part 535 is revised to read as follows:

Authority: 5 U.S.C. 5377, E.O. 13415, 71 FR 70641, 3 CFR, 2006 Comp., p. 250.

■ 2. In § 535.103, revise paragraph (a) and add paragraphs (e) and (f) to read as follows:

§ 535.103 Authority.

(a) Subject to a grant of authority from OPM in consultation with OMB and all other requirements in this part, the head of an agency may, in his or her sole and exclusive discretion, fix the rate of basic pay for a critical position at a rate not less than the rate of basic pay that would otherwise be payable for the position and not greater than—

(1) The rate payable for level I of the Executive Schedule; or

(2) A rate in excess of the rate for level I of the Executive Schedule based on information and data that justify the higher rate, with the written approval of the Director of OPM.

* * * * *

(e) An agency may require an employee to sign a written service agreement with the agency that governs future payments of critical position pay. As part of a determination to grant (or not withdraw) an agency authority to provide a position or positions with critical position pay, OPM may require the agency to establish written service agreement or notice requirements for employees receiving critical pay. OPM may specify the matters such a service agreement or notice must address such as the position the employee will hold and the duties the employee is expected to perform; the level of performance and accomplishments expected; and the factors that an agency must consider in determining whether to continue, increase, reduce, or terminate the employee's critical position pay rate.

(f) An employee has no right to grieve or appeal a decision to reduce, not increase, or terminate a critical position pay rate.

■ 3. In § 535.104:

■ a. Revise paragraph (b) by removing the sentence "Requests covering multiple positions must include a list of the positions in priority order.";

■ b. Revise paragraphs (c) and (d) to read as follows:

§ 535.104 Requests for and granting critical position pay authority.

* * * * *

(c) Requests for critical position pay authority must include information and data required by OPM to justify the

higher pay, including, as appropriate, market-based justification, evidence of recruitment and retention needs, and the qualifications of the individual. The head of an agency must submit such requests to OPM with the information required in paragraph (d) of this section. If OPM, in consultation with OMB, concurs with a request to set pay above the rate payable for level I of the Executive Schedule, the Director of OPM must provide written approval and may establish a maximum limitation on the critical position pay rate.

(d) Requests for critical position pay authority must include:

- (1) Position title;
- (2) Position appointment authority (for Senior Executive Service positions, appointment authority for any incumbent);
- (3) Pay plan and grade/level;
- (4) Occupational series of the position;
- (5) Geographic location of the position;
- (6) Current salary of the position or incumbent;
- (7) Name of incumbent (or "Vacant");
- (8) Length of time the incumbent has been in the position or length of time the position has been vacant;
- (9) A written evaluation of the need to designate the position as critical. Such an evaluation must include—

- (i) The kinds of work required by the position and the context within which it operates;
- (ii) The range of positions and qualification requirements that characterize the occupational field, including those that require extremely high levels of expertise;
- (iii) The rates of pay reasonably and generally required in the public and private sectors for similar positions; and
- (iv) The availability of individuals who possess the qualifications to do the work required by the position;

(10) Any additional information the agency may deem appropriate to demonstrate that higher pay is needed to recruit or retain an employee for a critical position;

(11) Unless the position is an Executive Schedule position, a copy of the position description for the critical position; and

(12) The desired rate of basic pay for requests to set pay above the rate for level I of the Executive Schedule and justification, including, as appropriate, market-based justification, evidence of recruitment and retention needs, and qualifications of the individual to show that such a rate is necessary to recruit and retain an individual exceptionally well-qualified for the critical position.

■ 4. In § 535.105, revise paragraphs (b) and (c) to read as follows:

§ 535.105 Setting and adjusting rates of basic pay.

* * * * *

(b) If critical position pay authority is granted for a position, the head of an agency may initially set pay at an amount up to the rate payable for level I of the Executive Schedule or other maximum rate below level I of the Executive Schedule that is approved by OPM in consultation with OMB. A rate in excess of the rate payable for level I of the Executive Schedule may be established only with the written approval of the Director of OPM under § 535.104(c).

(c) The head of an agency may make subsequent adjustments in the rate of basic pay for a critical position each January at the same time general pay adjustments are authorized for Executive Schedule employees under 5 U.S.C. 5318. Such adjusted rates may not exceed the new rate payable for level I of the Executive Schedule or other maximum rate approved for the critical position under § 535.104(c). However, the employee must have at least a rating of Fully Successful or equivalent, and subsequent adjustments must be based on labor market factors, recruitment and retention needs, and individual accomplishments and contributions to the agency's mission. Any adjustment in the rate of basic pay under this paragraph is also subject to service agreement and notice requirements established under § 535.103(e), if applicable.

* * * * *

■ 5. Amend § 535.106 by:

■ a. Removing the word "or" at the end of paragraph (a);

■ b. Removing the period at the end of paragraph (b) and adding "; or" in its place; and

■ c. Adding paragraph (c):

§ 535.106 Treatment as rate of basic pay.

* * * * *

(c) Application of the General Schedule (GS) pay administration rules in 5 CFR part 531, subpart B; however, a critical position pay rate is treated as a non-GS rate of basic pay in applying the maximum payable rate rule in §§ 531.221 through 531.223 of this chapter, as provided in § 531.221(a)(4).

PART 752—ADVERSE ACTIONS

■ 6. The authority citation for part 752 continues to read as follows:

Authority: 5 U.S.C. 6329b, 7504, 7514, 7515, and 7543; 38 U.S.C. 7403, E.O. 10577, 19 FR 7521, 3 CFR, 1954–1958 Comp., p. 218.

■ 7. In § 752.401, add paragraph (b)(18):

§ 752.401 Coverage.

* * * * *

(b) * * *

(18) Action by the agency or OPM that reduces or terminates a critical position pay rate under 5 U.S.C. 5377, if the agency informed the employee that the rate is approved on a time-limited basis, subject to annual review and reapproval, and may be reduced or terminated by the agency or OPM if determined to no longer be needed. (See also §§ 535.106 and 535.107 of this chapter.)

* * * * *

[FR Doc. 2026-07996 Filed 4-23-26; 8:45 am]

BILLING CODE 6325-39-P

FEDERAL TRADE COMMISSION

16 CFR Part 1

[File No. R607003]

Petition for Rulemaking of Animal Rescuers for Change

AGENCY: Federal Trade Commission.**ACTION:** Receipt of petition; request for comment.

SUMMARY: Please take notice that the Federal Trade Commission (“Commission”) received a petition for rulemaking from Animal Rescuers for Change and has published that petition online at <https://www.regulations.gov>. The Commission invites written comments concerning the petition. Publication of this petition is pursuant to the Commission’s Rules of Practice and Procedure and does not affect the legal status of the petition or its final disposition.

DATES: Comments must identify the petition docket number and be filed by May 26, 2026.

ADDRESSES: You may view the petition, identified by docket number FTC–2026–0529, and submit written comments concerning its merits by using the Federal eRulemaking Portal at <https://www.regulations.gov>. Follow the online instructions for submitting comments. Do not submit sensitive or confidential information. You may read background documents or comments received at <https://www.regulations.gov> at any time.

FOR FURTHER INFORMATION CONTACT:

Office of the Secretary (phone: 202–326–2514, email: ElectronicFilings@ftc.gov), Federal Trade Commission, 600 Pennsylvania Avenue NW, Washington, DC 20580.

SUPPLEMENTARY INFORMATION: Pursuant to section 18(a)(1)(B) of the Federal Trade Commission Act, 15 U.S.C. 57a(1)(B), and FTC Rule 1.31(f), 16 CFR 1.31(f), notice is hereby given that the above-captioned petition has been filed

with the Secretary of the Commission and has been placed on the public record for a period of 30 days. Any person may submit comments in support of or in opposition to the petition. All timely and responsive comments submitted in connection with this petition will become part of the public record.

This petition requests that the Commission initiate rulemaking to address unfair and deceptive practices in online animal sales. The Commission will not consider the petition’s merits until after the comment period closes. It may grant or deny the petition in whole or in part, and it may deem the petition insufficient to warrant commencement of a rulemaking proceeding. The purpose of this document is to facilitate public comment on the petition to aid the Commission in determining what, if any, action to take regarding the request contained in the petition. This document is not intended to start, stop, cancel, or otherwise affect rulemaking proceedings in any way.

Because your comment will be placed on the publicly accessible website at <https://www.regulations.gov>, you are solely responsible for making sure your comment does not include any sensitive or confidential information. In particular, your comment should not include any sensitive personal information, such as your or anyone else’s Social Security number; date of birth; driver’s license number or other state identification number, or foreign country equivalent; passport number; financial account number; or credit or debit card number. You are also solely responsible for making sure your comment does not include any sensitive health information, such as medical records or other individually identifiable health information. In addition, your comment should not include any “trade secret or any commercial or financial information which . . . is privileged or confidential”—as provided by section 6(f) of the FTC Act, 15 U.S.C. 46(f), and FTC Rule 4.10(a)(2), 16 CFR 4.10(a)(2).

Authority: 15 U.S.C. 46; 15 U.S.C. 57a; 5 U.S.C. 601 note.

April J. Tabor,
Secretary.

[FR Doc. 2026-07997 Filed 4-23-26; 8:45 am]

BILLING CODE 6750-01-P

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 721

[EPA–HQ–OPPT–2025–2932; FRL–13085–01–OCSPP]

RIN 2070–AB27

Significant New Use Rules on Certain Chemical Substances (26–2)

AGENCY: Environmental Protection Agency (EPA).**ACTION:** Proposed rule.

SUMMARY: EPA is issuing significant new use rules (SNURs) under the Toxic Substances Control Act (TSCA) for certain chemical substances that were the subject of premanufacture notices (PMNs) and are also subject to an Order issued by EPA pursuant to TSCA. The SNURs require persons to notify EPA at least 90 days before commencing the manufacture (defined by statute to include import) or processing of any of these chemical substances for an activity that is designated as a significant new use in the SNUR. The required notification initiates EPA’s evaluation of the conditions of that use for that chemical substance. In addition, the manufacture or processing for the significant new use may not commence until EPA has conducted a review of the required notification; made an appropriate determination regarding that notification; and taken such actions as required by that determination.

DATES: Comments must be received on or before May 26, 2026.

ADDRESSES: Submit your comments, identified by docket identification (ID) number EPA–HQ–OPPT–2025–2932 online at <https://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. Additional instructions on commenting and visiting the docket, along with more information about dockets generally, is available at <https://www.epa.gov/dockets>.

FOR FURTHER INFORMATION CONTACT:

For technical information: James Yan, New Chemicals Division (7405M), Office of Pollution Prevention and Toxics, Environmental Protection Agency, 1200 Pennsylvania Ave. NW, Washington, DC 20460–0001; telephone number: (202) 564–2138; email address: yan.james@epa.gov.

For general information on SNURs: William Wysong, New Chemicals Division (7405M), Office of Pollution

Prevention and Toxics, Environmental Protection Agency, 1200 Pennsylvania Ave. NW, Washington, DC 20460-0001; telephone number: (202) 564-4163; email address: wysong.william@epa.gov.

For general information on TSCA: The TSCA Assistance Information Service Hotline, Goodwill Vision Enterprises, 422 South Clinton Ave., Rochester, NY 14620; telephone number: (800) 471-7127 or (202) 554-1404; email address: TSCA-Hotline@epa.gov.

SUPPLEMENTARY INFORMATION:

I. Executive Summary

A. What is the Agency's authority for taking this action?

TSCA section 5(a)(2) (15 U.S.C. 2604(a)(2)) authorizes EPA to determine that a use of a chemical substance is a "significant new use." EPA must make this determination by rule after considering all relevant factors, including the factors in TSCA section 5(a)(2) (see also the discussion in Unit II.).

B. What action is the Agency taking?

EPA is proposing SNURs for the chemical substances discussed in Unit III. These SNURs, if finalized as proposed, would require persons who intend to manufacture or process any of these chemical substances for an activity that is designated as a significant new use to notify EPA at least 90 days before commencing that activity.

C. Does this action apply to me?

1. General Applicability

This action applies to you if you manufacture, process, or use the chemical substances contained in this proposed rule. 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:

- Manufacturers or processors of one or more subject chemical substances (NAICS codes 325 and 324110), e.g., chemical manufacturing and petroleum refineries.

2. Applicability to Importers and Exporters

This action may also apply to certain entities through pre-existing import certification and export notification requirements under TSCA (<https://www.epa.gov/tsc-import-export-requirements>).

Chemical importers are subject to TSCA section 13 (15 U.S.C. 2612), the

requirements in 19 CFR 12.118 through 12.127, 19 CFR 127.28, and 40 CFR 707.20. Importers of chemical substances in bulk form, as part of a mixture, or as part of an article (if required by rule) must certify that the shipment of the chemical substance complies with all applicable rules and orders under TSCA, including regulations issued under TSCA sections 5, 6, 7 and Title IV.

Pursuant to 40 CFR 721.20, any persons who export or intend to export a chemical substance that is the subject of this proposed rule on or after May 26, 2026 are subject to TSCA section 12(b) (15 U.S.C. 2611(b)) and must comply with the export notification requirements in 40 CFR part 707, subpart D.

D. What are the incremental economic impacts of this action?

EPA has evaluated the potential costs of establishing SNUN reporting requirements for potential manufacturers (including importers) and processors of the chemical substances subject to SNURs, which applies to the chemical substances in this rulemaking. This analysis, which is available in the docket, is briefly summarized here.

1. Estimated Costs for SNUN Submissions

If a SNUN is submitted, costs are an estimated \$45,496 per SNUN submission for large business submitters and \$14,976 for small business submitters. These estimates include the cost to prepare and submit the SNUN (including registration for EPA's Central Data Exchange (CDX)), and the payment of a user fee. Businesses that submit a SNUN would be subject to either a \$37,000 user fee required by 40 CFR 700.45(c)(2)(ii) and (d), or, if they are a small business as defined at 13 CFR 121.201, a reduced user fee of \$6,480 (40 CFR 700.45(c)(1)(ii) and (d)). The costs of submission for SNUNs will not be incurred by any company unless a company decides to pursue a significant new use as defined in these SNURs. Additionally, these estimates reflect the costs and fees as they are known at the time of this rulemaking.

2. Estimated Costs for Export Notifications

EPA has also evaluated the potential costs associated with the export notification requirements under TSCA section 12(b) and the implementing regulations at 40 CFR part 707, subpart D. For persons exporting a substance that is the subject of a SNUR, a one-time notice to EPA must be provided for the

first export or intended export to a particular country. The total costs of export notification will vary by chemical, depending on the number of required notifications (i.e., the number of countries to which the chemical is exported). While EPA is unable to make any estimate of the likely number of export notifications for the chemical substances covered by these SNURs, as stated in the accompanying economic analysis, the estimated cost of the export notification requirement on a per unit basis is approximately \$106.

E. What should I consider as I prepare my comments for EPA?

1. Submitting CBI

Do not submit CBI to EPA through email or <https://www.regulations.gov>. If you wish to include CBI in your comment, please follow the applicable instructions at <https://www.epa.gov/dockets/commenting-epa-dockets#rules> and clearly mark the information that you claim to be CBI. Information so marked will not be disclosed except in accordance with procedures set forth in 40 CFR parts 2 and 703.

2. Tips for Preparing Your Comments

When preparing and submitting your comments, see the commenting tips at <https://www.epa.gov/epa-dockets>.

II. Background

This unit provides general information about SNURs. For additional information about EPA's new chemical program go to <https://www.epa.gov/reviewing-new-chemicals-under-toxic-substances-control-act-tsca>.

A. Significant New Use Determination Factors

TSCA section 5(a)(2) states that EPA's determination that a use of a chemical substance is a significant new use must be made after consideration of all relevant factors, including:

- The projected volume of manufacturing and processing of a chemical substance.
- The extent to which a use changes the type or form of exposure of human beings or the environment to a chemical substance.
- The extent to which a use increases the magnitude and duration of exposure of human beings or the environment to a chemical substance.
- The reasonably anticipated manner and methods of manufacturing, processing, distribution in commerce, and disposal of a chemical substance.

In determining what would constitute a significant new use for the chemical substances that are the subject of these SNURs, EPA considered relevant

information about the toxicity of the chemical substances, and potential human exposures and environmental releases that may be associated with the substances, in the context of the four bulleted TSCA section 5(a)(2) factors listed in this Unit and discussed in Unit III.

These proposed SNURs are based on orders issued to certain companies for substances that were the subject of PMN submissions. Those orders were issued under TSCA section 5(e)(1)(A), as required by the determinations made under TSCA section 5(a)(3)(B). The TSCA orders require protective measures to limit exposures or otherwise mitigate the potential unreasonable risk. Additional consent orders with similar protective measures are outstanding for other PMNs submitted for the same chemical substances. Those other PMN numbers align with the SNURs in this proposed rule as follows:

- for 40 CFR 721.12219, the additional PMNs are P-23-120, P-25-93, P-25-125, P-25-135, and P-25-145.
- for 40 CFR 721.12220, the additional PMNs are P-23-122, P-24-180, and P-25-144.

The proposed SNURs extend the protective measures from the signed consent orders for P-25-73, P-25-152, P-25-137, and P-25-151 to any person intending to manufacture, process, use, distribute in commerce, or dispose of the same new chemical substances and identify as significant new uses any manufacturing, processing, use, distribution in commerce, or disposal that does not conform to the restrictions imposed by the underlying TSCA orders, consistent with TSCA section 5(f)(4). Any person with an outstanding consent order as of April 24, 2026 for the same new chemical substance may sign it and manufacture, process, use, distribute in commerce, or dispose of the PMN substance consistent with the terms of that order. Any manufacturing, processing, use, distribution in commerce, or disposal of these new chemical substances that does not conform to a signed consent order or occurs in the absence of the protective measures of this SNUR is a significant new use. A SNUN is required prior to any significant new use.

B. Rationale and Objectives of the SNURs

1. Rationale

Under TSCA section 5(a)(1)(B), no person may manufacture a new chemical substance or manufacture or process a chemical substance for a significant new use until EPA makes a

determination as described in TSCA section 5(a)(3) and takes any required action. The issuance of a SNUR is not a risk determination itself, only a notification requirement for “significant new uses,” so that the Agency has the opportunity to review the SNUN for the significant new use and make a TSCA section 5(a)(3) risk determination.

During review of the PMNs submitted that identify chemical substances subject to these proposed SNURs, EPA concluded that regulation was warranted under TSCA section 5(e), pending the development of information sufficient to make reasoned evaluations of the health or environmental effects of the chemical substances. Based on the findings outlined in Unit III., TSCA section 5(e) Orders requiring the use of appropriate exposure controls and environmental release restrictions were negotiated with the PMN submitters. As a general matter, EPA believes it is necessary to follow a TSCA order with a SNUR that identifies the absence of those protective measures as significant new uses to ensure that all manufacturers and processors—not just the party subject to a TSCA order—are held to the same standard.

2. Objectives

EPA is proposing these SNURs because the Agency has determined it is appropriate:

- To identify as significant new uses any manufacturing, processing, use, distribution in commerce, or disposal that does not conform to the restrictions imposed by the underlying TSCA Orders, consistent with TSCA section 5(f)(4).
- To identify as significant new uses any manufacturing, processing, use, distribution in commerce, or disposal that does not conform to the restrictions imposed by the underlying TSCA Orders, consistent with TSCA section 5(f)(4).
- To have an opportunity to review and evaluate data submitted in a SNUN before the submitter begins manufacturing or processing a listed chemical substance for the described significant new use.
- To be obligated to make a determination under TSCA section 5(a)(3) regarding the use described in the SNUN, under the conditions of use. The Agency will either determine under TSCA section 5(a)(3)(C) that the significant new use is not likely to present an unreasonable risk, including an unreasonable risk to a potentially exposed or susceptible subpopulation identified as relevant by the Administrator under the conditions of use, or make a determination under

TSCA section 5(a)(3)(A) or (B) and take the required regulatory action associated with the determination, before manufacture or processing for the significant new use of the chemical substance can occur.

Issuance of a proposed SNUR for a chemical substance does not signify that the chemical substance is listed on the TSCA Chemical Substance Inventory (TSCA Inventory). Guidance on how to determine if a chemical substance is on the TSCA Inventory is available at <https://www.epa.gov/tsca-inventory>.

C. Significant New Uses Claimed as CBI

EPA is proposing to establish certain significant new uses which have been claimed as CBI subject to Agency confidentiality regulations at 40 CFR parts 2 and 703. Absent a final determination or other disposition of the confidentiality claim under these regulations, EPA is required to keep this information confidential. EPA promulgated a procedure at 40 CFR 721.11 to deal with the situation where a specific significant new use is CBI. Under these procedures, a manufacturer or processor may ask EPA to identify the confidential significant new use subject to the SNUR. The manufacturer or processor must show that it has a *bona fide* intent to manufacture or process the chemical substance. If EPA concludes that the person has shown a *bona fide* intent to manufacture or process the chemical substance, EPA will identify the confidential significant new use to that person. Since most of the chemical identities of the chemical substances subject to these SNURs are also CBI, manufacturers and processors can combine the *bona fide* submission under the procedure in 40 CFR 721.11 into a single step.

D. Applicability of General Provisions

General provisions for SNURs appear in 40 CFR part 721, subpart A. These provisions describe persons subject to SNURs, recordkeeping requirements, exemptions to reporting requirements, and applicability of the rule to uses occurring before the effective date of the rule. Pursuant to 40 CFR 721.1(c), persons subject to SNURs must comply with the same requirements and EPA regulatory procedures as submitters of PMNs under TSCA section 5(a)(1)(A). In particular, these requirements include the information submission requirements of TSCA sections 5(b) and 5(d)(1), the exemptions authorized by TSCA sections 5(h)(1), 5(h)(2), 5(h)(3), and 5(h)(5), and the regulations at 40 CFR part 720. In addition, provisions relating to user fees appear at 40 CFR part 700.

Once EPA receives a SNUN, EPA must either determine that the significant new use is not likely to present an unreasonable risk of injury under the conditions of use for the chemical substance or take such regulatory action as is associated with an alternative determination under TSCA section 5 before the manufacture (including import) or processing for the significant new use can commence. If EPA determines that the significant new use of the chemical substance is not likely to present an unreasonable risk, EPA is required under TSCA section 5(g) to make public, and submit for publication in the **Federal Register**, a statement of EPA's findings.

As discussed in Unit I.C.2., persons who export or intend to export a chemical substance identified in a proposed or final SNUR are subject to the export notification provisions of TSCA section 12(b), and persons who import a chemical substance identified in a final SNUR are subject to the TSCA section 13 import certification requirements. See also <https://www.epa.gov/tsca-import-export-requirements>.

E. Applicability of the Proposed SNURs to Uses Occurring Before the Effective Date of the Final Rule

To establish a significant new use, EPA must determine that the use is not ongoing. The chemical substances subject to this proposed rule have undergone premanufacture review and received determinations under TSCA section 5(a)(3)(C). TSCA Orders have been issued for these chemical substances and the PMN submitters are required by the TSCA Orders to submit a SNUN before undertaking activities that would be designated as significant new uses in these SNURs. Additionally, although several PMNs have been submitted for these same chemical substances, the identities of the chemical substances subject to this proposed rule have been claimed as confidential per 40 CFR 720.85, further reducing the likelihood that another party would manufacture or process the substances for an activity that would be designated as a significant new use. Based on this, the Agency believes that it is highly unlikely that any of the significant new uses identified in Unit III. are ongoing.

When the chemical substances identified in Unit III. are added to the TSCA Inventory, EPA recognizes that, before the rule is effective, other persons might engage in a use that has been identified as a significant new use. Persons who begin manufacture or processing of the chemical substances

for a significant new use identified on or after the designated cutoff date specified in Unit III.A. would have to cease any such activity upon the effective date of the final rule. To resume their activities, these persons would have to first comply with all applicable SNUR notification requirements and EPA would have to take action under TSCA section 5 allowing manufacture or processing to proceed.

F. Important Information About SNUN Submissions

1. SNUN Submissions

SNUNs must be submitted on EPA Form No. 7710–25, generated using e-PMN software, and submitted to the Agency in accordance with the procedures set forth in 40 CFR 720.40 and 721.25. E-PMN software is available electronically at <https://www.epa.gov/reviewing-new-chemicals-under-toxic-substances-control-act-tsca>.

2. Development and Submission of Information

EPA recognizes that TSCA section 5 does not require development of any particular new information (e.g., generating test data) before submission of a SNUN. There is an exception: If a person is required to submit information for a chemical substance pursuant to a rule, order, or consent agreement under TSCA section 4, then TSCA section 5(b)(1)(A) requires such information to be submitted to EPA at the time of submission of the SNUN.

In the absence of a rule, TSCA order, or consent agreement under TSCA section 4 covering the chemical substance, persons are required only to submit information in their possession or control and to describe any other information known to or reasonably ascertainable by them (see 40 CFR 720.50). However, upon review of PMNs and SNUNs, the Agency has the authority to require appropriate testing. To assist with EPA's analysis of the SNUN, submitters are encouraged, but not required, to provide the potentially useful information as identified for the chemical substance in Unit III.C.

EPA strongly encourages persons, before performing any testing, to consult with the Agency pertaining to protocol selection. Furthermore, pursuant to TSCA section 4(h), which pertains to reduction of testing in vertebrate animals, EPA encourages consultation with the Agency on the use of alternative test methods and strategies (also called New Approach Methodologies, or NAMs), if available, to generate the recommended test data.

EPA encourages dialog with Agency representatives to help determine how best the submitter can meet both the data needs and the objective of TSCA section 4(h). For more information on alternative test methods and strategies to reduce vertebrate animal testing, visit <https://www.epa.gov/assessing-and-managing-chemicals-under-tsca/alternative-test-methods-and-strategies-reduce>.

The potentially useful information described in Unit III. may not be the only means of providing information to evaluate the chemical substance associated with the significant new uses. However, submitting a SNUN without any test data may increase the likelihood that EPA will take action under TSCA sections 5(e) or 5(f). EPA recommends that potential SNUN submitters contact EPA early enough so that they will be able to conduct the appropriate tests.

SNUN submitters should be aware that EPA will be better able to evaluate SNUNs that provide detailed information about human exposure and environmental release that may result from the significant new use of the chemical substances.

III. Chemical Substances Subject to These Proposed SNURs

A. What is the designated cutoff date for ongoing uses?

EPA designates April 24, 2026 as the cutoff date for determining whether the new use is ongoing. This designation is explained in more detail in Unit II.E.

B. What information is provided for each chemical substance?

For each chemical substance identified in Unit III.C., EPA provides the following information:

- PMN number(s) (as well as the proposed CFR citation assigned in the regulatory text section of the proposed rule).
- Chemical name (generic name, if the specific name is claimed as CBI).
- Chemical Abstracts Service Registry Number (CASRN) or Accession Number (if assigned for confidential chemical identities).
- Basis for the SNUR (e.g. effective date of and basis for the corresponding TSCA Order).
- Potentially useful information.

The regulatory text section of the proposed rule specifies the activities designated as significant new uses. Certain new uses, including production volume limits and other uses designated in the proposed rules, may be claimed as CBI.

These proposed SNURs include PMN substances that are subject to orders

issued under TSCA section 5(e)(1)(A), as required by the determinations made under TSCA section 5(a)(3)(B). Those TSCA Orders require protective measures to limit exposures or otherwise mitigate the potential unreasonable risk. The proposed SNURs identify as significant new uses any manufacturing, processing, use, distribution in commerce, or disposal that does not conform to the restrictions imposed by the underlying TSCA Orders, consistent with TSCA section 5(f)(4).

C. Which chemical substances are subject to these proposed SNURs?

The substances subject to the proposed SNURs in this document are identified below with the proposed CFR citation. For each chemical substance, EPA has identified PMNs that were submitted for the chemical substance, although the SNUR will apply to the chemical substance regardless of whether or not a PMN was submitted prior to the issuance of this proposed SNUR.

P-25-73 and P-25-152 (40 CFR 721.12219)

Chemical name: Cobalt lithium manganese nickel oxide, metals-doped (generic).

CASRN: Not available.

Effective date of TSCA Orders: March 16, 2026 (P-25-152) and April 9, 2026 (P-25-73).

Basis for the TSCA Orders: The PMNs state that the generic (non-confidential) use will be in batteries. Multiple PMNs were submitted due to the fact that review of the first PMN received had not yet been completed and the PMN substance was not yet on the inventory. The PMN substance is a type of mixed metal oxide that is covered by the analysis EPA conducted that is detailed in the following documents (which are available on the docket): 1) U.S. EPA. Standardized Scientific Assessment for Mixed Metal Oxide (MMO) Cathode Active Material (CAM) in Battery Applications for Use in TSCA Section 5 New Chemical Reviews, 2026, 2) U.S. EPA. Policy on Standardized Scientific Assessment for Mixed Metal Oxide (MMO) Cathode Active Material (CAM) in Battery Applications for Use in TSCA Section 5 New Chemical Review, 2026, and 3) U.S. EPA. Policy on Standardized Risk Management for Mixed Metal Oxide (MMO) Cathode Active Material (CAM) in Battery Applications for Use in TSCA Section 5 New Chemical Reviews, 2026. EPA identified concerns for carcinogenicity, reproductive toxicity, specific target organ toxicity, and dermal and respiratory

sensitization, and EPA predicts that toxicity to aquatic organisms may occur at concentrations from 1–5 ppb. To protect against these risks, the Orders require:

- No use of the PMN substance other than in the manufacture of batteries;
- No use of the PMN substance without labeling the exterior of batteries or packaging containing multiple batteries. An example of the label text is as follows: “This battery contains substances that are subject to TSCA restrictions, including for recycling and reclamation activities. For details, contact the battery manufacturer or the EPA TSCA hotline.”;
- No manufacturing, processing (all processing includes recycling or reclaiming substances from batteries or other items containing the PMN substance) or use of the PMN substance except with the use of dust controls with an overall minimum combined capture and control efficiency of 99%;
- No release of the PMN substance to the air at a single site such that the rolling average concentration over 14 days at the property boundary would be more than a maximum of $1.3E-4$ mg/m³ of the PMN substance individually or in any combination (*i.e.*, in aggregate) with other cobalt containing mixed metal oxide (MMO) chemical substances;
- No manufacture or processing of the PMN substance for more than one year unless there is no air release of the PMN substance or the air release limit is updated;
- No manufacture or processing of the PMN substance for more than one year unless there is no inhalation exposure to the PMN substance or the Respiratory Protection Limits are updated;
- No disposal of the PMN substance, or any waste stream containing the PMN substance, other than by hazardous waste landfill in compliance with the Resource Conservation and Recovery Act Subtitle C or incineration if the incinerator ash is disposed of by hazardous waste landfill in compliance with the Resource Conservation and Recovery Act Subtitle C;
- No release of the PMN substance, or any waste stream containing the PMN substance, to water;
- Prior to worker exposure monitoring—use of a National Institute for Occupational Safety and Health (NIOSH)-certified respirator with an assigned protection factor (APF) of at least 1,000 where there is a potential for inhalation exposure to workers.
- Upon exposure monitoring results—use of a NIOSH-certified respirator with an APF in accordance with the below Respiratory Protection Limits, provided that an APF below 50

is only permitted when the PMN substance contains less than or equal to 3% cobalt by weight. If the 8-Hour Time Weighted Average (TWA) is less than $5.3E-4$ mg/m³, no respiratory protection is required. If the 8-Hour TWA is more than or equal to $5.3E-4$ mg/m³ but less than $5.3E-3$ mg/m³, respiratory protection with a minimum APF of 10 is required. If the 8-Hour TWA is more than or equal to $5.3E-3$ mg/m³ but less than $2.7E-2$ mg/m³, respiratory protection with a minimum APF of 50 is required. If the 8-Hour TWA is more than or equal to $2.7E-2$ mg/m³ but less than $5.3E-1$ mg/m³, respiratory protection with a minimum APF of 1000 is required. If the 8-Hour TWA is more than or equal to $5.3E-1$ mg/m³ but less than $5.3E+00$ mg/m³, respiratory protection with a minimum APF of 10,000 is required. If the 8-Hour TWA exceeds $5.3E+00$ mg/m³, then manufacturing, processing, and use must cease;

- Use of personal protective equipment where there is a potential for dermal exposure;
- Use of engineering and administrative control measures to prevent exposure;
- and
- Establishment of a hazard communication program, including human health and environmental precautionary statements on each label and in the Safety Data Sheet (SDS).

The proposed SNUR would designate as a “significant new use” any use in the absence of these protective measures.

Potentially useful information: EPA has determined that certain information may be potentially useful in support of a request by the PMN submitter to modify the Order, or if a manufacturer or processor is considering submitting a SNUN for a significant new use that will be designated by this SNUR. EPA has determined that the results of aquatic toxicity testing may be potentially useful to characterize the environmental effects of the PMN substances. Although the Order does not require these tests, the Order’s restrictions remain in effect until the Order is modified or revoked by EPA based on submission of this or other relevant information.

P-25-137 and P-25-151 (40 CFR 721.12220)

Chemical name: Cobalt lithium manganese nickel oxide, metals-doped (generic).

CASRN: Not available.

Effective date of TSCA Orders: March 16, 2026 (P-25-151) and April 7, 2026 (P-25-137).

Basis for TSCA Orders: The PMNs state that the generic (non-confidential) use will be in batteries. Multiple PMNs were submitted due to the fact that review of the first PMN received had not yet been completed and the PMN substance was not yet on the inventory. The PMN substance is a type of mixed metal oxide that is covered by the analysis EPA conducted that is detailed in the following documents (which are available on the docket): 1) U.S. EPA. Standardized Scientific Assessment for Mixed Metal Oxide (MMO) Cathode Active Material (CAM) in Battery Applications for Use in TSCA Section 5 New Chemical Reviews, 2026, 2) U.S. EPA. Policy on Standardized Scientific Assessment for Mixed Metal Oxide (MMO) Cathode Active Material (CAM) in Battery Applications for Use in TSCA Section 5 New Chemical Review, 2026, and 3) U.S. EPA. Policy on Standardized Risk Management for Mixed Metal Oxide (MMO) Cathode Active Material (CAM) in Battery Applications for Use in TSCA Section 5 New Chemical Reviews, 2026. EPA identified concerns for carcinogenicity, reproductive toxicity, specific target organ toxicity, and dermal and respiratory sensitization, and EPA predicts that toxicity to aquatic organisms may occur at concentrations from 1–5 ppb. To protect against these risks, the Orders require:

- No use of the PMN substance other than in the manufacture of batteries;
- No use of the PMN substance without labeling the exterior of batteries or packaging containing multiple batteries. An example of the label text is as follows: “This battery contains substances that are subject to TSCA restrictions, including for recycling and reclamation activities. For details, contact the battery manufacturer or the EPA TSCA hotline.”;

- No manufacturing, processing (all processing includes recycling or reclaiming substances from batteries or other items containing the PMN substance) or use of the PMN substance except with the use of dust controls with an overall minimum combined capture and control efficiency of 99%;

- No release of the PMN substance to the air at a single site such that the rolling average concentration over 14 days at the property boundary would be more than a maximum of $1.3\text{E-}4$ mg/m³ of the PMN substance individually or in any combination (*i.e.*, in aggregate) with other cobalt containing mixed metal oxide (MMO) chemical substances;

- No manufacture or processing of the PMN substance for more than one year unless there is no air release of the PMN

substance or the air release limit is updated;

- No manufacture or processing of the PMN substance for more than one year unless there is no inhalation exposure to the PMN substance or the Respiratory Protection Limits are updated;

- No disposal of the PMN substance, or any waste stream containing the PMN substance, other than by hazardous waste landfill in compliance with the Resource Conservation and Recovery Act Subtitle C or incineration if the incinerator ash is disposed of by hazardous waste landfill in compliance with the Resource Conservation and Recovery Act Subtitle C;

- No release of the PMN substance, or any waste stream containing the PMN substance, to water;

- Prior to worker exposure monitoring—use of a National Institute for Occupational Safety and Health (NIOSH)-certified respirator with an assigned protection factor (APF) of at least 1,000 where there is a potential for inhalation exposure to workers.

- Upon exposure monitoring results—use of a NIOSH-certified respirator with an APF in accordance with the below Respiratory Protection Limits, provided that an APF below 50 is only permitted when the PMN substance contains less than or equal to 3% cobalt by weight. If the 8-Hour Time Weighted Average (TWA) is less than $5.3\text{E-}4$ mg/m³, no respiratory protection is required. If the 8-Hour TWA is more than or equal to $5.3\text{E-}4$ mg/m³ but less than $5.3\text{E-}3$ mg/m³, respiratory protection with a minimum APF of 10 is required. If the 8-Hour TWA is more than or equal to $5.3\text{E-}3$ mg/m³ but less than $2.7\text{E-}2$ mg/m³, respiratory protection with a minimum APF of 50 is required. If the 8-Hour TWA is more than or equal to $2.7\text{E-}2$ mg/m³ but less than $5.3\text{E-}1$ mg/m³, respiratory protection with a minimum APF of 1000 is required. If the 8-Hour TWA is more than or equal to $5.3\text{E-}1$ mg/m³ but less than $5.3\text{E+}00$ mg/m³, respiratory protection with a minimum APF of 10,000 is required. If the 8-Hour TWA exceeds $5.3\text{E+}00$ mg/m³, then manufacturing, processing, and use must cease;

- Use of personal protective equipment where there is a potential for dermal exposure;

- Use of engineering and administrative control measures to prevent exposure; and

- Establishment of a hazard communication program, including human health and environmental precautionary statements on each label and in the Safety Data Sheet (SDS).

The proposed SNUR would designate as a “significant new use” any use in the absence of these protective measures.

Potentially useful information: EPA has determined that certain information may be potentially useful in support of a request by the PMN submitter to modify the Order, or if a manufacturer or processor is considering submitting a SNUN for a significant new use that will be designated by this SNUR. EPA has determined that the results of aquatic toxicity testing may be potentially useful to characterize the environmental effects of the PMN substances. Although the Order does not require these tests, the Order’s restrictions remain in effect until the Order is modified or revoked by EPA based on submission of this or other relevant information.

IV. Statutory and Executive Order Reviews

Additional information about these statutes and Executive orders can be found at <https://www.epa.gov/laws-regulations/laws-and-executive-orders>.

A. Executive Order 12866: Regulatory Planning and Review

This action proposes to establish SNURs for new chemical substances that were the subject of PMNs. The Office of Management and Budget (OMB) has exempted these types of actions from review under Executive Order 12866 (58 FR 51735, October 4, 1993).

B. Executive Order 14192: Unleashing Prosperity Through Deregulation

Executive Order 14192 (90 FR 9065, February 6, 2025) does not apply because significant new use rules for new chemicals under TSCA section 5 are exempted from review under Executive Order 12866.

C. Paperwork Reduction Act (PRA)

According to the PRA (44 U.S.C. 3501 *et seq.*), an agency may not conduct or sponsor, and a person is not required to respond to a collection of information that requires OMB approval under PRA, unless it has been approved by OMB and displays a currently valid OMB control number. The OMB control numbers for EPA’s regulations in title 40 of the CFR, after appearing in the **Federal Register**, are listed in 40 CFR part 9, and included on the related collection instrument or form, if applicable.

The information collection requirements related to SNURs have already been approved by OMB pursuant to PRA under OMB control number 2070–0038 (EPA ICR No. 1188).

This action does not impose any burden requiring additional OMB approval. If an entity were to submit a SNUN to the Agency, the annual burden is estimated to average between 30 and 170 hours per submission. This burden estimate includes the time needed to review instructions, search existing data sources, gather and maintain the data needed, and complete, review, and submit the required SNUN.

EPA always welcomes feedback on the burden estimates. When submitting comments on these proposed SNURs, include comments about the accuracy of the burden estimate, and any suggested methods for improving the collection instruments or instruction or minimizing respondent burden, including through the use of automated collection techniques.

D. Regulatory Flexibility Act (RFA)

I certify that this action will not have a significant economic impact on a substantial number of small entities under the RFA (5 U.S.C. 601 *et seq.*). The requirement to submit a SNUN applies to any person (including small or large entities) who intends to engage in any activity described in the final rule as a “significant new use.” Because these uses are “new,” based on all information currently available to EPA, EPA has concluded that no small or large entities presently engage in such activities.

A SNUR requires that any person who intends to engage in such activity in the future must first notify EPA by submitting a SNUN. Although some small entities may decide to pursue a significant new use in the future, EPA cannot presently determine how many, if any, there may be. However, EPA’s experience to date is that, in response to the promulgation of SNURs covering over 1,000 chemicals, the Agency receives only a small number of notices per year. For example, the number of SNUNs received was 9 in fiscal year FY2022, 23 in FY2023, and 7 in FY2024, and only a fraction of these submissions were from small businesses.

In addition, the Agency currently offers relief to qualifying small businesses by reducing the SNUN submission fee from \$37,000 to \$6,480. This lower fee reduces the total reporting and recordkeeping cost of submitting a SNUN to about \$14,967 per SNUN submission for qualifying small firms. Therefore, the potential economic impacts of complying with these proposed SNURs are not expected to be significant or adversely impact a substantial number of small entities. In a SNUR that published in the **Federal**

Register of June 2, 1997 (62 FR 29684) (FRL–5597–1), the Agency presented its general determination that SNURs are not expected to have a significant economic impact on a substantial number of small entities, which was provided to the Chief Counsel for Advocacy of the Small Business Administration.

E. Unfunded Mandates Reform Act (UMRA)

This action does not contain an unfunded mandate of \$100 million or more (in 1995 dollars) in any one year as described in UMRA, 2 U.S.C. 1531–1538, and does not significantly or uniquely affect small governments. Based on EPA’s experience with proposing and finalizing SNURs, State, local, and Tribal governments have not been impacted by SNURs, and EPA does not have any reasons to believe that any State, local, or Tribal government will be impacted by these SNURs. In addition, the estimated costs of this action to the private sector do not exceed \$183 million or more in any one year (the 1995 dollars are adjusted to 2023 dollars for inflation using the GDP implicit price deflator). The estimated costs for this action are discussed in Unit I.D.

F. Executive Order 13132: Federalism

This action will not have federalism implications as specified in Executive Order 13132 (64 FR 43255, August 10, 1999), because it is not expected to have a substantial direct effect on States, on the relationship between the national government and the States, or on the distribution of power and responsibilities among the various levels of government. Accordingly, the requirements of Executive Order 13132 do not apply to this action.

G. Executive Order 13175: Consultation and Coordination With Indian Tribal Governments

This action will not have Tribal implications as specified in Executive Order 13175 (65 FR 67249, November 9, 2000), because it is not expected to have substantial direct effects on Indian Tribes, significantly or uniquely affect the communities of Indian Tribal governments and does not involve or impose any requirements that affect Indian Tribes. Accordingly, the requirements of Executive Order 13175 do not apply to this action.

H. Executive Order 13045: Protection of Children From Environmental Health Risks and Safety Risks

This action is not subject to Executive Order 13045 (62 FR 19885, April 23,

1997), because it does not concern an environmental health or safety risk. Since this action does not concern a human health risk, EPA’s 2026 Policy on Children’s Health also does not apply. Although the establishment of these SNURs do not address an existing children’s environmental health concern because the chemical uses involved are not ongoing uses, SNURs require that persons notify EPA at least 90 days before commencing manufacture (defined by statute to include import) or processing of the identified chemical substances for an activity that is designated as a significant new use by the SNUR. This notification allows EPA to assess the intended uses to identify potential risks and take appropriate actions before the activities commence.

I. Executive Order 13211: Actions Concerning Regulations That Significantly Affect Energy Supply, Distribution, or Use

This action is not a “significant energy action” as defined in Executive Order 13211 (66 FR 28355, May 22, 2001), because it is not likely to have a significant adverse effect on the supply, distribution, or use of energy.

J. National Technology Transfer and Advancement Act (NTTAA)

This action does not involve any technical standards subject to NTTAA section 12(d) (15 U.S.C. 272 note).

List of Subjects in 40 CFR part 721

Environmental protection, Chemicals, Hazardous substances, Reporting and recordkeeping requirements.

Dated: April 21, 2026.

Mary Elissa Reaves,

Director, Office of Pollution Prevention and Toxics.

For the reasons stated in the preamble, EPA proposes to amend 40 CFR chapter I as follows:

PART 721—SIGNIFICANT NEW USES OF CHEMICAL SUBSTANCES

■ 1. The authority citation for part 721 continues to read as follows:

Authority: 15 U.S.C. 2604, 2607, and 2625(c).

■ 2. Add §§ 721.12219 through 721.12220 to subpart E to read as follows:

Subpart E—Significant New Uses for Specific Chemical Substances

* * * * *

Sec.

721.12219 Cobalt lithium manganese nickel oxide, metals-doped (generic).

721.12220 Cobalt lithium manganese nickel oxide, metals-doped (generic).

§ 721.12219 Cobalt lithium manganese nickel oxide, metals-doped (generic).

(a) *Chemical substance and significant new uses subject to reporting.* (1) The chemical substance identified generically as cobalt lithium manganese nickel oxide, metals-doped (PMNs P-25-73 and P-25-152) is subject to reporting under this section for the significant new uses described in paragraph (a)(2) of this section. The requirements of this section do not apply to quantities of the substance after the substance has been incorporated into an "article" as defined at 40 CFR 720.3, except as to the battery labeling requirements in the *Industrial, commercial, and consumer use* section. The article exemption applies unless/ until the article has been shredded or processed such that dust is generated. Once the article containing the substance is or has been shredded or otherwise handled such that there is potential for exposure to or release of the substance, the article exemption no longer applies.

(2) The significant new uses are:

(i) *Protection in the workplace.*

Requirements as specified in § 721.63(a)(1), (a)(3) through (6), and (c). When determining which persons are reasonably likely to be exposed as required for § 721.63(a)(1) and (4), engineering control measures (e.g., enclosure or confinement of the operation, general and local ventilation) or administrative control measures (e.g., workplace policies and procedures) shall be considered and implemented to prevent exposure, where feasible. For purposes of § 721.63(a)(5), respirators must provide a National Institute for Occupational Safety and Health (NIOSH) assigned protection factor (APF) of at least 1,000 prior to the receipt of exposure monitoring results and in accordance with the following Respiratory Protection Limits once exposure monitoring results are available. An APF below 50 is only permitted if the PMN substance contains less than or equal to 3% cobalt by weight. If the 8-Hour Time Weighted Average (TWA) is less than $5.3\text{E-}4$ mg/m³, no respiratory protection is required. If the 8-Hour TWA is more than or equal to $5.3\text{E-}4$ mg/m³ but less than $5.3\text{E-}3$ mg/m³, respiratory protection with a minimum APF of 10 is required. If the 8-Hour TWA is more than or equal to $5.3\text{E-}3$ mg/m³ but less than $2.7\text{E-}2$ mg/m³, respiratory protection with a minimum APF of 50 is required. If the 8-Hour TWA is more than or equal to $2.7\text{E-}2$ mg/m³ but less than $5.3\text{E-}1$ mg/

m³, respiratory protection with a minimum APF of 1000 is required. If the 8-Hour TWA is more than or equal to $5.3\text{E-}1$ mg/m³ but less than $5.3\text{E+}00$ mg/m³, respiratory protection with a minimum APF of 10,000 is required. If the 8-Hour TWA exceeds $5.3\text{E+}00$ mg/m³, then manufacturing, processing, and use must cease.

(ii) *Hazard communication.*

Requirements as specified in § 721.72(a) through (d), (f), (g)(1), (g)(3)(iii), and (g)(5). For purposes of § 721.72(g)(1), this substance may cause: carcinogenicity, genetic toxicity, skin sensitization, respiratory sensitization, reproductive toxicity, neurotoxicity, and specific target organ toxicity. Alternative hazard and warning statements that meet the criteria of the Globally Harmonized System and OSHA Hazard Communication Standard may be used.

(iii) *Industrial, commercial, and consumer use.* It is a significant new use to manufacture or process the substance for more than one year if there is any release of the substance to air or inhalation exposure to workers. It is a significant new use to use the substance other than as a substance for use in the manufacture of batteries. It is a significant new use to manufacture, process (all processing includes recycling or reclaiming substances from batteries or other items containing the PMN substance), or use the substance, except with the use of dust controls with an overall minimum capture and control efficiency of 99%. It is a significant new use to use the substance without labeling the exterior of batteries or the exterior of packaging containing multiple batteries to indicate that they contain a substance that is subject to restrictions under TSCA, including during recycling, consistent with all of the following conditions:

(A) The battery label shall be placed directly on the visible exterior of the wrappings and packaging in which the battery is placed for sale, shipment, or storage. An example of the text on the battery label is as follows: "This battery contains substances that are subject to TSCA restrictions, including for recycling and reclamation activities. For details, contact the battery manufacturer or the EPA TSCA Hotline."

(B) Any batteries distributed in commerce without packaging or wrapping must be labeled or tagged directly on the visible exterior surface.

(C) Battery labels must be sufficiently durable to equal or exceed the life of the battery and attached in such a manner that they cannot be removed without defacing or destroying them.

(D) Any battery repackaging must ensure that the battery label remains

visible or that a new battery label or tag is placed on the visible exterior.

(iv) *Disposal.* It is a significant new use to dispose of the substance or waste streams containing the substance other than by hazardous waste landfill in compliance with the Resource Conservation and Recovery Act Subtitle C or incineration, where the incinerator ash must be disposed of by hazardous waste landfill in compliance with the Resource Conservation and Recovery Act Subtitle C.

(v) *Release to water.* Requirements as specified in § 721.90(a)(1), (b)(1), and (c)(1).

(vi) *Release to air.* It is a significant new use to release the substance to the air at a single site such that the rolling average concentration over 14 days at the property boundary would be more than a maximum of $1.3\text{E-}4$ mg/m³ of the substance individually or in any combination (i.e., in aggregate) with other cobalt containing mixed metal oxide (MMO) chemical substances.

(b) *Specific requirements.* The provisions of subpart A of this part apply to this section except as modified by this paragraph (b).

(1) *Recordkeeping.* Recordkeeping requirements as specified in § 721.125(a) through (k) are applicable to manufacturers, importers, and processors of this substance.

(2) *Limitation or revocation of certain notification requirements.* The provisions of § 721.185 apply to this section.

§ 721.12220 Metal cobalt lithium manganese nickel oxide, metals-doped (generic).

(a) *Chemical substance and significant new uses subject to reporting.*

(1) The chemical substance identified generically as metal cobalt lithium manganese nickel oxide, metals-doped (PMNs P-25-137 and P-25-151) is subject to reporting under this section for the significant new uses described in paragraph (a)(2) of this section. The requirements of this section do not apply to quantities of the substance after the substance has been incorporated into an "article" as defined at 40 CFR 720.3, except as to the battery labeling requirements in the *Industrial, commercial, and consumer use* section. The article exemption applies unless/ until the article has been shredded or processed such that dust is generated. Once the article containing the substance is or has been shredded or otherwise handled such that there is potential for exposure to or release of the substance, the article exemption no longer applies.

(2) The significant new uses are:

(i) *Protection in the workplace.* Requirements as specified in § 721.63(a)(1), (a)(3) through (6), and (c). When determining which persons are reasonably likely to be exposed as required for § 721.63(a)(1) and (4), engineering control measures (e.g., enclosure or confinement of the operation, general and local ventilation) or administrative control measures (e.g., workplace policies and procedures) shall be considered and implemented to prevent exposure, where feasible. For purposes of § 721.63(a)(5), respirators must provide a National Institute for Occupational Safety and Health (NIOSH) assigned protection factor (APF) of at least 1,000 prior to the receipt of exposure monitoring results and in accordance with the following Respiratory Protection Limits once exposure monitoring results are available. An APF below 50 is only permitted if the PMN substance contains less than or equal to 3% cobalt by weight. If the 8-Hour Time Weighted Average (TWA) is less than 5.3E-4 mg/m³, no respiratory protection is required. If the 8-Hour TWA is more than or equal to 5.3E-4 mg/m³ but less than 5.3E-3 mg/m³, respiratory protection with a minimum APF of 10 is required. If the 8-Hour TWA is more than or equal to 5.3E-3 mg/m³ but less than 2.7E-2 mg/m³, respiratory protection with a minimum APF of 50 is required. If the 8-Hour TWA is more than or equal to 2.7E-2 mg/m³ but less than 5.3E-1 mg/m³, respiratory protection with a minimum APF of 1000 is required. If the 8-Hour TWA is more than or equal to 5.3E-1 mg/m³ but less than 5.3E+00 mg/m³, respiratory protection with a minimum APF of 10,000 is required. If the 8-Hour TWA exceeds 5.3E+00 mg/m³, then manufacturing, processing, and use must cease.

(ii) *Hazard communication.* Requirements as specified in § 721.72(a) through (d), (f), (g)(1), (g)(3)(iii), and (g)(5). For purposes of § 721.72(g)(1), this substance may cause: carcinogenicity, genetic toxicity, skin sensitization, respiratory sensitization, reproductive toxicity, neurotoxicity, and specific target organ toxicity. Alternative hazard and warning statements that meet the criteria of the Globally Harmonized System and OSHA Hazard Communication Standard may be used.

(iii) *Industrial, commercial, and consumer use.* It is a significant new use to manufacture or process the substance for more than one year if there is any release of the substance to air or inhalation exposure to workers. It is a significant new use to use the substance

other than as a substance for use in the manufacture of batteries. It is a significant new use to manufacture, process (all processing includes recycling or reclaiming substances from batteries or other items containing the PMN substance), or use the substance, except with the use of dust controls with an overall minimum capture and control efficiency of 99%. It is a significant new use to use the substance without labeling the exterior of batteries or the exterior of packaging containing multiple batteries to indicate that they contain a substance that is subject to restrictions under TSCA, including during recycling, consistent with all of the following conditions:

(A) The battery label shall be placed directly on the visible exterior of the wrappings and packaging in which the battery is placed for sale, shipment, or storage. An example of the text on the battery label is as follows: "This battery contains substances that are subject to TSCA restrictions, including for recycling and reclamation activities. For details, contact the battery manufacturer or the EPA TSCA Hotline."

(B) Any batteries distributed in commerce without packaging or wrapping must be labeled or tagged directly on the visible exterior surface.

(C) Battery labels must be sufficiently durable to equal or exceed the life of the battery and attached in such a manner that they cannot be removed without defacing or destroying them.

(D) Any battery repackaging must ensure that the battery label remains visible or that a new battery label or tag is placed on the visible exterior.

(iv) *Disposal.* It is a significant new use to dispose of the substance or waste streams containing the substance other than by hazardous waste landfill in compliance with the Resource Conservation and Recovery Act Subtitle C or incineration, where the incinerator ash must be disposed of by hazardous waste landfill in compliance with the Resource Conservation and Recovery Act Subtitle C.

(v) *Release to water.* Requirements as specified in § 721.90(a)(1), (b)(1), and (c)(1).

(vi) *Release to air.* It is a significant new use to release the substance to the air at a single site such that the rolling average concentration over 14 days at the property boundary would be more than a maximum of 1.3E-4 mg/m³ of the substance individually or in any combination (i.e., in aggregate) with other cobalt containing mixed metal oxide (MMO) chemical substances.

(b) *Specific requirements.* The provisions of subpart A of this part

apply to this section except as modified by this paragraph (b).

(1) *Recordkeeping.* Recordkeeping requirements as specified in § 721.125(a) through (k) are applicable to manufacturers, importers, and processors of this substance.

(2) *Limitation or revocation of certain notification requirements.* The provisions of § 721.185 apply to this section.

[FR Doc. 2026-08012 Filed 4-23-26; 8:45 am]

BILLING CODE 6560-50-P

DEPARTMENT OF TRANSPORTATION

Pipeline and Hazardous Materials Safety Administration

49 CFR Part 190

[Docket No. PHMSA-2026-1555]

RIN 2137-AF63

Administrative Rulemaking: Regulatory Procedures

AGENCY: Pipeline and Hazardous Materials Safety Administration (PHMSA), Department of Transportation (DOT).

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: PHMSA proposes to adopt regulatory amendments to align procedures governing post-issuance administrative challenges of final rules issued by its Office of Pipeline Safety (OPS) with those governing post-issuance administrative challenges of final rules issued by its Office of Hazardous Materials Safety (OHMS).

DATES: Written comments on this NPRM must be submitted by June 23, 2026.

ADDRESSES: You may submit comments identified by the Docket Number PHMSA-2026-1555 using any of the following methods:

E-Gov Web: <https://www.regulations.gov>. This site allows the public to enter comments on any Federal Register notice issued by any agency. Follow the online instructions for submitting comments.

Mail: Docket Management System: U.S. Department of Transportation, 1200 New Jersey Avenue SE, West Building Ground Floor, Room W12-140, Washington, DC 20590-0001.

Hand Delivery: U.S. DOT Docket Management System: 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.

For commenting instructions and additional information about commenting, see **SUPPLEMENTARY INFORMATION**.

FOR FURTHER INFORMATION CONTACT:

Sayler Palabrica, Transportation Specialist, 1200 New Jersey Avenue SE, Washington, DC 20590, 202-744-0825, sayler.palabrica@dot.gov.

SUPPLEMENTARY INFORMATION:

I. Discussion

PHMSA regulations governing its hazardous materials safety and pipeline safety programs provide procedures for informal rulemaking under the Administrative Procedure Act (APA, 5 U.S.C. 551 *et seq.*). Each of the informal rulemaking procedures for OHMS (at 49 CFR part 106) and OPS (at 49 CFR part 190) also provide procedural mechanisms for post-issuance administrative challenges of PHMSA final rules.

However, those post-issuance administrative challenge procedures differ significantly between each of PHMSA's program offices. OHMS post-issuance administrative challenge procedures at § 106.110 *et seq.* contemplate a single round of post-issuance administrative "appeal" challenging PHMSA's issuance of an OHMS final rule; that administrative appeal process concludes once PHMSA issues a decision on the administrative appeal. OHMS regulations also provide for a single, consistent review path regardless of the content of the challenged final rule.

In contrast, OPS regulations at § 190.335 *et seq.* contemplate as many as two rounds of post-issuance administrative challenges to OPS final rules: an initial "petition for reconsideration" for decision by the Associate Administrator for Pipeline Safety or the Chief Counsel, potentially followed by an "appeal" to the PHMSA Administrator in the event of the denial of the petition for reconsideration. OPS procedures also contemplate different review paths for petitions for reconsideration based on the nature of the final rule being challenged: petitions for reconsideration of final rules pertaining to "procedural" regulations are submitted to, and decided by, the PHMSA Chief Counsel, but petitions for reconsideration of final rules pertaining to "substantive" regulations are submitted to, and decided by, the PHMSA Associate Administrator for Pipeline Safety. This distinction between "procedural" regulations and "substantive" regulations is ambiguous and provides little clarity to stakeholders as to which PHMSA

personnel will be reviewing petitions for reconsideration.

To improve consistency between its two safety programs regarding procedures for post-issuance administrative challenges of rulemakings, PHMSA now proposes to amend its part 190 regulations to (1) remove procedures contemplating second-round "appeals" to the PHMSA Administrator of denials of petitions for reconsideration of OPS final rules, and (2) consolidate the review path for all petitions for reconsideration of OPS final rules. PHMSA also proposes to delete as unnecessary procedures contemplating appeals to the Administrator of denials of petitions for rulemaking pursuant to § 190.333. PHMSA would apply any new procedural requirements to final rules issued after the effective date of a final rule in this proceeding.

Commenting Instructions: Please include the docket number PHMSA-2026-1555 at the beginning of your comments. If you submit your comments by mail, submit two copies. If you wish to receive confirmation that PHMSA received your comments, include a self-addressed stamped postcard. Internet users may submit comments at <https://www.regulations.gov>.

Note: Comments are posted without changes or edits to <https://www.regulations.gov>, including any personal information provided. There is a privacy statement published on <https://www.regulations.gov>.

Privacy Act: In accordance with 5 U.S.C. 553(c), DOT solicits comments from the public to inform its rulemaking process. DOT posts these comments, without edit, including any personal information the commenter provides, to <https://www.regulations.gov>, as described in the system of records notice (DOT/ALL-14 FDMS), which can be reviewed at <https://www.dot.gov/privacy>.

Confidential Business Information: Confidential Business Information (CBI) is commercial or financial information that is both customarily and actually treated as private by its owner. Under the Freedom of Information Act (FOIA, 5 U.S.C. 552), CBI is exempt from public disclosure. It is important that you clearly designate the comments submitted as CBI if: your comments responsive to this document contain commercial or financial information that is customarily treated as private; you actually treat such information as private; and your comment is relevant or responsive to this notice. Pursuant to § 190.343, you may ask PHMSA to

provide confidential treatment to information you give to the agency by taking the following steps: (1) mark each page of the original document submission containing CBI as "Confidential;" (2) send PHMSA, along with the original document, a second copy of the original document with the CBI deleted; and (3) explain why the information that you are submitting is CBI. Submissions containing CBI should be sent to Sayler Palabrica, Office of Pipeline Safety Standards and Rulemaking Division, Pipeline and Hazardous Materials Safety Administration (PHMSA), 2nd Floor, 1200 New Jersey Avenue SE, Washington, DC 20590-0001, or by email at sayler.palabrica@dot.gov. Any materials PHMSA receives that is not specifically designated as CBI will be placed in the public docket.

Docket: For access to the docket to read background documents or comments received, go to <http://www.regulations.gov>. Follow the online instructions for accessing the docket. Alternatively, you may review the documents in person at the street address listed above.

II. Regulatory Analyses and Notices

A. Legal Authority

This proposed rule is published under the authority of the Secretary of Transportation as set forth in the Federal Pipeline Safety Laws (49 U.S.C. 60101 *et seq.*) and delegated to the PHMSA Administrator pursuant to 49 CFR 1.97. The amendments adopted herein affect provisions in part 190 governing PHMSA's informal rulemaking procedures and therefore pertain to "rules of agency organization, procedure, or practice" that could be published as a final rule without notice and comment and with an immediate effective date as permitted by 5 U.S.C. 553(b)(A). However, as a matter of discretion, PHMSA has decided to first publish this notice of proposed rulemaking and provide an opportunity for public comment before adopting a final rule.

B. Statutory Requirement and Executive Order 12866

The Federal Pipeline Safety Laws (49 U.S.C. 60102(b)) require that PHMSA prepare a risk assessment that identifies the costs and benefits associated with a proposed regulatory change. E.O. 12866, *Regulatory Planning and Review*, as implemented by DOT Order 2100.6B ("Policies and Procedures for Rulemaking") and DOT Order 2100.7 ("Ensuring Reliance upon Sound Economic Analysis in Department of

Transportation Policies, Programs, and Activities”), requires agencies to regulate in the “most cost-effective manner,” to make a “reasoned determination that the benefits of the intended regulation justify its costs,” and to develop regulations that “impose the least burden on society.” In arriving at those conclusions, E.O. 12866 requires that agencies should consider “both quantifiable measures . . . and qualitative measures of costs and benefits that are difficult to quantify” and “maximize net benefits . . . unless a statute requires another regulatory approach.” E.O. 12866 also requires that “agencies should assess all costs and benefits of available regulatory alternatives, including the alternative of not regulating.” DOT Order 2100.6B directs that PHMSA and other Operating Administrations must generally choose the “least costly regulatory alternative that achieves the relevant objectives” unless required by law or compelling safety need. DOT Order 2100.6B also specifies that regulations should generally “not be issued unless their benefits are expected to exceed their costs.” DOT Order 2100.7 requires that “all rulemaking activities shall be based on sound economic principles and analysis supported by rigorous cost-benefit requirement.”

E.O. 12866 and DOT Order 2100.6B also require that PHMSA submit “significant regulatory actions” to the Office of Information and Regulatory Affairs (OIRA) within the Executive Office of the President’s Office of Management and Budget (OMB) for review. This NPRM is not a significant regulatory action pursuant to E.O. 12866; OMB also has not designated this rule as a “major rule” as defined by the Congressional Review Act (5 U.S.C. 801 *et seq.*).

PHMSA has complied with the procedural and analytical requirements in E.O. 12866 as implemented by DOT Order 2100.6B and DOT Order 2100.7, as well as the requirements in 49 U.S.C. 60102(b), and preliminarily determined that this proposed rule would not impose new burdens as it only streamlines a legal process and does not impose new requirements on pipeline operators. PHMSA also preliminarily determined that the proposed rule would not have any adverse safety effects for the same reason.

C. Executive Orders 14192 and 14219

This proposed rule, if finalized as proposed, is expected to be a deregulatory action pursuant to E.O. 14192, *Unleashing Prosperity Through Deregulation*. PHMSA estimates that the total costs of the rule on the regulated

community will be *de minimis*, as the non-substantive changes of this rulemaking do not impose any new requirements on pipeline operators, and the changes therein should improve the clarity and compliance with PHMSA regulations. Nor does this proposed rule implicate any of the factors identified in section 2(a) of E.O. 14219, *Ensuring Lawful Governance and Implementing the President’s “Department of Government Efficiency” Deregulatory Initiative*, indicative that a regulation is “unlawful . . . [or] that undermine[s] the national interest.”

D. Energy-Related Executive Orders 13211, 14154, and 14156

The President has declared in E.O. 14156, *Declaring a National Energy Emergency*, a National emergency to address America’s inadequate energy development production, transportation, refining, and generation capacity. Similarly, E.O. 14154, *Unleashing American Energy*, asserts a Federal policy to unleash American energy by ensuing access to abundant supplies of reliable, affordable energy from (inter alia) the removal of “undue burden[s]” on the identification, development, or use of domestic energy resources such as PHMSA-jurisdictional gases and hazardous liquids. PHMSA preliminarily finds this proposed rule is consistent with each of E.O. 14156 and E.O. 14154. The provisions of this proposed rule are non-substantive and will not impose new requirements on pipeline operators.

This proposed rule is not a “significant energy action” under E.O. 13211, *Actions Concerning Regulations That Significantly Affect Energy Supply, Distribution, or Use*, which requires Federal agencies to prepare a Statement of Energy Effects for any “significant energy action.” Because this proposed rule is not a significant action under E.O. 12866, it will not have a significant adverse effect on supply, distribution, or energy use; OIRA has therefore not designated this proposed rule as a significant energy action.

E. Executive Order 13132: Federalism

PHMSA analyzed this proposed rule in accordance with the principles and criteria contained in E.O. 13132, *Federalism*, and the Presidential Memorandum (“Preemption”) published in the **Federal Register** on May 22, 2009. E.O. 13132 requires agencies to assure meaningful and timely input by State and local officials in the development of regulatory policies that may have “substantial direct effects on the States, on the relationship between the National

Government and the States, or on the distribution of power and responsibilities among the various levels of government.”

Though the proposed rule may operate to preempt some State requirements, it would not impose any regulation that has substantial direct effects on the States, the relationship between the National Government and the States, or the distribution of power and responsibilities among the various levels of government. Section 60104(c) of the Federal Pipeline Safety Laws prohibits certain State safety regulation of interstate pipelines. Under the Federal Pipeline Safety Laws, States that have submitted a current certification under section 60105(a) can augment Federal pipeline safety requirements for intrastate pipelines regulated by PHMSA but may not approve safety requirements less stringent than those required by Federal law. A State may also regulate an intrastate pipeline facility that PHMSA does not regulate. The preemptive effect of the regulatory amendments in this proposed rule is limited to the minimum level necessary to achieve the objectives of the Federal Pipeline Safety Laws. Therefore, the consultation and funding requirements of E.O. 13132 do not apply.

F. Regulatory Flexibility Act

The Regulatory Flexibility Act (RFA), 5 U.S.C. 601 *et seq.* requires Federal agencies to conduct an Initial Regulatory Flexibility Analysis (IRFA) for a proposed rule subject to notice-and-comment rulemaking unless the agency head certifies that the proposed rule in the rulemaking will not have a significant economic impact on a substantial number of small entities. E.O. 13272, *Proper Consideration of Small Entities in Agency Rulemaking*, obliges agencies to establish procedures promoting compliance with the RFA. DOT posts its implementing guidance on a dedicated web page.¹ This proposed rule was developed in accordance with E.O. 13272 and DOT implementing guidance to ensure compliance with the RFA and that the potential impacts of the rulemaking on small entities has been properly considered. PHMSA does not expect any operator will incur significant costs from the regulatory amendments proposed here, which only affect procedures governing petitions for reconsideration of final rules—a procedural mechanism few operators

¹ DOT, *Rulemaking Requirements Concerning Small Entities*, <https://www.transportation.gov/regulations/rulemaking-requirements-concerning-small-entities>.

utilize, and which entails relatively low costs. Therefore, PHMSA certifies the proposed rule (if finalized) will not have a significant impact on a substantial number of small entities.

G. Unfunded Mandates Reform Act of 1995

The Unfunded Mandates Reform Act (UMRA, 2 U.S.C. 1501 *et seq.*) requires agencies to assess the effects of Federal regulatory actions on State, local, and Tribal governments, and the private sector. For any proposed or final rule that includes a Federal mandate that may result in the expenditure by State, local, and Tribal governments, in the aggregate of \$100 million or more in 1996 dollars (\$203 million in 2024 dollars) in any given year, the agency must prepare, amongst other things, a written statement that qualitatively and quantitatively assesses the costs and benefits of the Federal mandate.

This proposed rule does not impose unfunded mandates under UMRA because it does not result in costs of \$100 million or more (in 1996 dollars) per year for either State, local, or Tribal governments, or to the private sector.

H. National Environmental Policy Act

PHMSA has analyzed this proposed rule pursuant to the National Environmental Policy Act (NEPA, 42 U.S.C. 4321 *et seq.*) and has preliminarily determined that it is categorically excluded under 23 CFR 771.117(c)(20), which applies to the promulgation of rules, regulations, and directives. Under section 9 of DOT Order 5610.1D (“DOT’s Procedures for Considering Environmental Impacts”), PHMSA may apply a categorical exclusion (CE) established in another Operating Administration’s (OA) procedures. PHMSA followed the requirements outlined in DOT Order 5610.1D to apply the Federal Highway Administration’s (FHWA) CE to this proposed deregulatory action. PHMSA does not anticipate any adverse environmental impacts from this proposed rule, and PHMSA has determined no unusual circumstances are present under § 771.117(b). PHMSA is soliciting comments on the environmental and safety impacts of the proposed rule. Following the public comment period, if determined appropriate, PHMSA will prepare a Categorical Exclusion Determination memo to be posted on PHMSA’s website.²

² See PHMSA, *Environmental Compliance—Implementing Procedures*, <https://www.phmsa.dot.gov/planning-and-analytics/environmental-analysis-and-compliance/implementing-procedures>.

I. Executive Order 13175

PHMSA analyzed this proposed rule according to the principles and criteria in E.O. 13175, *Consultation and Coordination with Indian Tribal Governments*, and DOT Order 5301.1A (“Department of Transportation Tribal Consultation Policies and Procedures”). E.O. 13175 requires agencies to assure meaningful and timely input from Tribal government representatives in the development of rules that significantly or uniquely affect Tribal communities by imposing “substantial direct compliance costs” or “substantial direct effects” on such communities or the relationship or distribution of power between the Federal Government and Tribes.

PHMSA assessed the impact of the proposed rule and determined that it will not significantly or uniquely affect Tribal communities or Indian Tribal governments. The rulemaking’s regulatory amendments have a broad, national scope; therefore, this proposed rule will not significantly or uniquely affect Tribal communities, much less impose substantial compliance costs on Native American Tribal governments or mandate Tribal action. For these reasons, PHMSA has concluded that the funding and consultation requirements of E.O. 13175 and DOT Order 5301.1A do not apply.

J. Paperwork Reduction Act

The Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*) and its implementing regulations at 5 CFR 1320.8(d) requires that PHMSA provide interested members of the public and affected agencies with an opportunity to comment on information collection and recordkeeping requests. This rulemaking will not create, amend, or rescind any existing information collections.

K. Executive Order 13609 and International Trade Analysis

E.O. 13609, *Promoting International Regulatory Cooperation*, requires agencies consider whether the impacts associated with significant variations between domestic and international regulatory approaches are unnecessary or may impair the ability of American business to export and compete internationally. In meeting shared challenges involving health, safety, labor, security, environmental, and other issues, international regulatory cooperation can identify approaches that are at least as protective as those that are or would be adopted in the absence of such cooperation. International regulatory cooperation can

also reduce, eliminate, or prevent unnecessary differences in regulatory requirements.

Similarly, the Trade Agreements Act of 1979 (Pub. L. 96–39), as amended by the Uruguay Round Agreements Act (Pub. L. 103–465), prohibits Federal agencies from establishing any standards or engaging in related activities that create unnecessary obstacles to the foreign commerce of the United States. For purposes of these requirements, Federal agencies may participate in the establishment of international standards, so long as the standards have a legitimate domestic objective, such as providing for safety, and do not operate to exclude imports that meet this objective. The statute also requires consideration of international standards and, where appropriate, that they be the basis for U.S. standards.

PHMSA engages with international standards setting bodies to protect the safety of the American public. PHMSA has assessed the effects of the proposed rule and has determined that its proposed regulatory amendments will not cause unnecessary obstacles to foreign trade.

L. Cybersecurity and Executive Order 14028

E.O. 14028, *Improving the Nation’s Cybersecurity*, directs the Federal Government to improve its efforts to identify, deter, and respond to “persistent and increasingly sophisticated malicious cyber campaigns.” PHMSA has considered the effects of the proposed rule and has determined that its proposed regulatory amendments will not materially affect the cybersecurity risk profile for pipeline facilities.

List of Subjects in 49 CFR Part 190

Administrative practice and procedure, Penalties, Pipeline safety.

In consideration of the foregoing, PHMSA proposes to revise 49 CFR part 190 as follows:

PART 190—PIPELINE SAFETY ENFORCEMENT AND REGULATORY PROCEDURES

- 1. The authority citation for part 190 continues to read as follows:

Authority: 33 U.S.C. 1321(b); 49 U.S.C. 60101 *et seq.*

- 2. Revise § 190.335 to read as follows:

§ 190.335 Petitions for reconsideration.

(a) Except as provided in § 190.339(d), any interested person may petition PHMSA for reconsideration of any regulation issued under this part. The petition must be received not later than

30 days after publication of the rule in the **Federal Register**. Petitions filed after that time will be considered as petitions filed under § 190.331. The petition must contain a brief statement of the complaint and an explanation as to why compliance with the rule is not practicable, is unreasonable, or is not in the public interest.

(b) If the petitioner requests the consideration of additional facts, the petitioner must state the reason they were not presented to PHMSA within the prescribed time.

(c) PHMSA does not consider repetitious petitions.

(d) Unless PHMSA otherwise provides, the filing of a petition under this section does not stay the effectiveness of the rule.

■ 3. Revise § 190.337 to read as follows:

§ 190.337 Proceedings on petitions for reconsideration.

(a) PHMSA may grant or deny, in whole or in part, any petition for reconsideration without further proceedings, except where a grant of the petition would result in issuance of a new final rule. In the event PHMSA determines to reconsider any regulation, a final decision on reconsideration may be issued without further proceedings, or an opportunity to submit comment or information and data as deemed appropriate, may be provided. PHMSA may consolidate petitions for reconsideration relating to the same rules.

(b) It is the policy of PHMSA to issue notice of the action taken on a petition for reconsideration within 90 days after the date on which the regulation in question is published in the **Federal Register**, unless it is found impracticable to take action within that time. In cases where it is so found and the delay beyond that period is expected to be substantial, notice of that fact and the date by which it is expected that action is issued to the petitioner and published in the **Federal Register**.

§ 190.338 [Removed]

■ 4. Remove § 190.338.

Issued in Washington, DC, on April 22, 2026, under authority delegated in 49 CFR 1.97.

Paul J. Roberti,
Administrator.

[FR Doc. 2026–08078 Filed 4–23–26; 8:45 am]

BILLING CODE 4910–60–P

DEPARTMENT OF TRANSPORTATION

**Pipeline and Hazardous Materials
Safety Administration**

49 CFR Part 191

[Docket No. PHMSA–2025–0108]

RIN 2137–AF77

**Pipeline Safety: Adjust Annual Report
Deadlines**

AGENCY: Pipeline and Hazardous Materials Safety Administration (PHMSA), Department of Transportation (DOT).

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: This NPRM proposes to extend the annual report deadline for operators of gas distribution pipelines, gas transmission pipelines, regulated gas gathering pipelines, Type R gas gathering lines, underground natural gas storage facilities, and liquefied natural gas facilities. This NPRM also proposes to extend the National Pipeline Mapping System information submission deadline for operators of gas transmission and liquefied natural gas facilities. Annual reports for gas pipeline and gas pipeline storage facilities would be due on June 15, consistent with existing requirements for hazardous liquid pipelines.

DATES: Comments must be received on or before June 23, 2026.

ADDRESSES: You may submit comments identified by the Docket Number PHMSA–2025–0108 using any of the following methods:

E-Gov Web: <https://www.regulations.gov>. This site allows the public to enter comments on any **Federal Register** notice issued by any agency. Follow the online instructions for submitting comments.

Mail: Docket Management System: U.S. Department of Transportation, 1200 New Jersey Avenue SE, West Building Ground Floor, Room W12–140, Washington, DC 20590–0001.

Hand Delivery: U.S. DOT Docket Management System: 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.

For commenting instructions and additional information about commenting, see **SUPPLEMENTARY INFORMATION**.

FOR FURTHER INFORMATION CONTACT:

Sayler Palabrica, Transportation Specialist, 1200 New Jersey Avenue SE,

Washington, DC 20590, 202–744–0825, sayler.palabrica@dot.gov.

SUPPLEMENTARY INFORMATION:

I. General Discussion

On July 1, 2025, PHMSA published a direct final rule (DFR) extending the deadlines from March 15 to June 15 in 49 CFR 191.11 and 191.17 for operators to submit to PHMSA annual report data for gas distribution pipelines, gas transmission pipelines, regulated gas gathering pipelines, Type R gas gathering pipelines, underground natural gas storage (UNGS) facilities, and liquefied natural gas (LNG) facilities (90 FR 28047 (July 1, 2025)). PHMSA explained in the DFR that the new deadline would be consistent with the deadline for submitting annual reports for hazardous liquid and carbon dioxide facilities in 49 CFR 195.49 (90 FR 28047 (July 1, 2025)).

PHMSA received three comments from the public in response to the DFR. The Interstate Natural Gas Association of America (INGAA) and Air Liquide Large Industries US, L.P. (ALLIUS) supported the DFR but recommended that PHMSA also extend the deadline for operators to submit geospatial information (GIS) to the National Pipeline Mapping System (NPMS).^{1 2} The Environmental Defense Fund (EDF) described at length the benefits of Federal pipeline safety information and commented that delay of operators providing annual report information undermines those benefits.³ EDF further commented that overtime expenses caused by the annual report deadline can be mitigated with contractor support and do not necessarily indicate that the report deadline is unduly burdensome.

Citing the receipt of adverse comments, on October 2, 2025, PHMSA withdrew the DFR in accordance with the requirements in 49 CFR 190.339 (90 FR 47620). PHMSA is reproposing the amendments in the DFR in this NPRM with certain revisions for the reasons explained below.

PHMSA continues to support extending the annual reporting deadlines from March 15 to June 15 in §§ 191.11 and 191.17 for gas distribution pipelines, gas transmission pipelines,

¹ INGAA, “Comment on Pipeline Safety: Annual Report Filing Timelines” (Sep 3, 2025), <https://www.regulations.gov/comment/PHMSA-2025-0108-0003>.

² Air Liquide Large Industries, “Comment on Pipeline Safety: Annual Report Filing Timelines” (Aug 29, 2025), <https://www.regulations.gov/comment/PHMSA-2025-0108-0002>.

³ EDF, “Comment on Pipeline Safety: Annual Report Filing Timelines” (Sept 3, 2025), <https://www.regulations.gov/comment/PHMSA-2025-0108-0004>.

regulated gas gathering pipelines, Type R gas gathering pipelines, UNGS facilities, and LNG facilities. That extension would align with the annual reporting deadline in § 195.49 for hazardous liquid and carbon dioxide pipelines that has been in effect more than a decade. PHMSA does not agree with EDF's comment that creating a uniform annual reporting deadline would undermine safety. Though useful to PHMSA and to other stakeholders, annual reports do not contain urgent or time-sensitive safety information; they contain summary information that is generally used to provide an understanding of overall trends in the Nation's pipeline transportation network. PHMSA's experience with the June 15 reporting deadline for hazardous liquid and carbon dioxide pipelines demonstrates that there is no compelling safety reason to receive such information for gas pipeline facilities by March 15. To the extent that there is any benefit from PHMSA receiving annual report data a few months earlier, PHMSA does not agree that it justifies the costs of complying with the March 15 deadline.

As recommended in the comments submitted by INGAA and ALLIUS, PHMSA also proposes to extend the NPMS information submission deadline from March 15 to June 15 in § 191.29(b) for gas transmission and LNG facility operators. In addition to generating the same cost savings from extending the reporting deadline described above, PHMSA and operators both compare annual report and NPMS submissions as a quality control step. Submitting both together will likely improve the quality of both submissions compared with the separate deadlines under the DFR. PHMSA notes this change is also consistent with the existing June 15 deadline for submitting NPMS data for hazardous liquid pipelines in § 195.61(b).

Commenting Instructions: Please include the docket number PHMSA–2025–0108 at the beginning of your comments. If you submit your comments by mail, submit two copies. If you wish to receive confirmation that PHMSA received your comments, include a self-addressed stamped postcard. Internet users may submit comments at <https://www.regulations.gov>.

Note: Comments are posted without changes or edits to <https://www.regulations.gov>, including any personal information provided. There is a privacy statement published on <https://www.regulations.gov>.

Privacy Act: In accordance with 5 U.S.C. 553(c), DOT solicits comments from the public to inform its rulemaking process. DOT posts these comments, without edit, including any personal information the commenter provides, to <https://www.regulations.gov>, as described in the system of records notice (DOT/ALL–14 FDMS), which can be reviewed at <https://www.dot.gov/privacy>.

Confidential Business Information: Confidential Business Information (CBI) is commercial or financial information that is both customarily and actually treated as private by its owner. Under the Freedom of Information Act (FOIA, 5 U.S.C. 552), CBI is exempt from public disclosure. It is important that you clearly designate the comments submitted as CBI if: your comments responsive to this document contain commercial or financial information that is customarily treated as private; you actually treat such information as private; and your comment is relevant or responsive to this notice. Pursuant to 49 CFR 190.343, you may ask PHMSA to provide confidential treatment to information you give to the agency by taking the following steps: (1) mark each page of the original document submission containing CBI as “Confidential;” (2) send PHMSA, along with the original document, a second copy of the original document with the CBI deleted; and (3) explain why the information that you are submitting is CBI. Submissions containing CBI should be sent to Sayler Palabrica, Office of Pipeline Safety Standards and Rulemaking Division, Pipeline and Hazardous Materials Safety Administration (PHMSA), 2nd Floor, 1200 New Jersey Avenue SE, Washington, DC 20590–0001, or by email at sayler.palabrica@dot.gov. Any materials PHMSA receives that is not specifically designated as CBI will be placed in the public docket.

Docket: For access to the docket to read background documents or comments received, go to <http://www.regulations.gov>. Follow the online instructions for accessing the docket. Alternatively, you may review the documents in person at the street address listed above.

II. Regulatory Analysis and Notices:

A. Legal Authority

This proposed rule is published under the authority of the Secretary of Transportation set forth in the Federal Pipeline Safety Laws (49 U.S.C. 60101 *et seq.*) and delegated to the PHMSA Administrator pursuant to 49 CFR 1.97.

B. Statutory Requirement and Executive Order 12866

The Pipeline Safety Laws (49 U.S.C. 60102(b)) require that PHMSA prepare a risk assessment that identifies the costs and benefits associated with a proposed regulatory change. E.O. 12866, *Regulatory Planning and Review*, as implemented by DOT Order 2100.6B (“Policies and Procedures for Rulemaking”) and DOT Order 2100.7 (“Ensuring Reliance upon Sound Economic Analysis in Department of Transportation Policies, Programs, and Activities”), requires agencies to regulate in the “most cost-effective manner,” to make a “reasoned determination that the benefits of the intended regulation justify its costs,” and to develop regulations that “impose the least burden on society.” In arriving at those conclusions, E.O. 12866 requires that agencies should consider “both quantifiable measures . . . and qualitative measures of costs and benefits that are difficult to quantify” and “maximize net benefits . . . unless a statute requires another regulatory approach.” E.O. 12866 also requires that “agencies should assess all costs and benefits of available regulatory alternatives, including the alternative of not regulating.” DOT Order 2100.6B directs that PHMSA and other Operating Administrations must generally choose the “least costly regulatory alternative that achieves the relevant objectives” unless required by law or compelling safety need. DOT Order 2100.6B also specifies that regulations should generally “not be issued unless their benefits are expected to exceed their costs” except where required by law or compelling safety need. DOT Order 2100.7 requires that “all rulemaking activities shall be based on sound economic principles and analysis supported by rigorous cost-benefit requirement.”

E.O. 12866 and DOT Order 2100.6B also require that PHMSA submit “significant regulatory actions” to the Office of Information and Regulatory Affairs (OIRA) within the Executive Office of the President’s Office of Management and Budget (OMB) for review. This final rule is a not significant regulatory action pursuant to E.O. 12866; OMB also has not designated this rule as a “major rule” as defined by the Congressional Review Act (5 U.S.C. 801 *et seq.*).

PHMSA has complied with the procedural and analytical requirements in E.O. 12866 as implemented by DOT Order 2100.6B and DOT Order 2100.7, as well as the requirements in 49 U.S.C. 60102(b) and preliminarily determined

that this proposed rule will result in cost savings by reducing the need for operators of gas distribution, gas transmission, gas gathering, underground natural gas storage facilities, and liquefied natural gas plants to rely on contractors or overtime to meet the current annual report submission deadline. As detailed in the accompanying Preliminary Regulatory Impact Analysis, the proposed 3-month filing extension will result in cost savings of approximately \$1 million per year. PHMSA expects these cost savings may also result in reduced costs for the public to whom pipeline operators generally transfer a portion of their compliance costs. PHMSA has also preliminarily determined that the proposed rule will not have any adverse safety effects since annual reports about pipeline infrastructure are not urgently needed, unlike incident and accident data, to assess immediate safety risks.

C. Executive Orders 14192 and 14219

This proposed rule, if finalized as proposed, is expected to be a deregulatory action pursuant to E.O. 14192, *Unleashing Prosperity Through Deregulation*. PHMSA estimates that the total costs of the NPRM on the regulated community will be less than zero. Nor does this rulemaking implicate any of the factors identified in section 2(a) of E.O. 14219, *Ensuring Lawful Governance and Implementing the President's "Department of Government Efficiency" Deregulatory Initiative*, indicative that a regulation is "unlawful . . . [or] that undermine[s] the national interest."

D. Energy-Related Executive Orders 13211, 14154, and 14156

The President has declared in E.O. 14156, *Declaring a National Energy Emergency*, a National emergency to address America's inadequate energy development production, transportation, refining, and generation capacity. Similarly, E.O. 14154, *Unleashing American Energy*, asserts a Federal policy to unleash American energy by ensuing access to abundant supplies of reliable, affordable energy from (inter alia) the removal of "undue burden[s]" on the identification, development, or use of domestic energy resources such as PHMSA-jurisdictional gases and hazardous liquids. PHMSA preliminarily finds this proposed rule is consistent with each of E.O. 14156 and E.O. 14154. The proposed rule will give affected pipeline operators more time to submit annual reports for gas pipeline and storage facilities subject to part 191, resulting in lower costs to operators.

However, this proposed rule is not a "significant energy action" under E.O. 13211, *Actions Concerning Regulations That Significantly Affect Energy Supply, Distribution, or Use*, which requires Federal agencies to prepare a Statement of Energy Effects for any "significant energy action." Because this proposed rule is not a significant action under E.O. 12866, it will not have a significant adverse effect on supply, distribution, or energy use.

E. Executive Order 13132: Federalism

PHMSA analyzed this proposed rule in accordance with the principles and criteria contained in E.O. 13132, *Federalism*, and the Presidential Memorandum ("Preemption") published in the **Federal Register** on May 22, 2009. E.O. 13132 requires agencies to assure meaningful and timely input by State and local officials in the development of regulatory policies that may have "substantial direct effects on the States, on the relationship between the National Government and the States, or on the distribution of power and responsibilities among the various levels of government."

Though the proposed rule may (when finalized) operate to preempt some State requirements, it would not impose any regulation that has substantial direct effects on the States, the relationship between the National Government and the States, or the distribution of power and responsibilities among the various levels of government. Section 60104(c) of the Federal Pipeline Safety Laws prohibits certain State safety regulation of interstate pipelines. Under the Federal Pipeline Safety Laws, States that have submitted a current certification under section 60105(a) can augment Federal pipeline safety requirements for intrastate pipelines regulated by PHMSA but may not approve safety requirements less stringent than those required by Federal law. A State may also regulate an intrastate pipeline facility that PHMSA does not regulate. The preemptive effect of the regulatory amendments in this proposed rule is limited to the minimum level necessary to achieve the objectives of the Federal Pipeline Safety Laws. Therefore, the consultation and funding requirements of E.O. 13132 do not apply.

F. Regulatory Flexibility Act

The Regulatory Flexibility Act (RFA, 5 U.S.C. 601 *et seq.*) requires Federal agencies to conduct an Initial Regulatory Flexibility Analysis (IRFA) for a proposed rule subject to notice-and-comment rulemaking unless the agency head certifies that the

rulemaking will not have a significant economic impact on a substantial number of small entities. E.O. 13272, *Proper Consideration of Small Entities in Agency Rulemaking*, obliges agencies to establish procedures promoting compliance with the RFA. DOT posts its implementing guidance on a dedicated web page.⁴ PHMSA developed this proposed rule in accordance with E.O. 13272 and DOT implementing guidance to ensure compliance with the RFA. The proposed rule is expected to reduce regulatory burdens by extending the deadline for operators to file annual reports. Further, the changes proposed here are not expected to impose additional burdens on any operator. Therefore, PHMSA certifies the proposed rule (if finalized) will not have a significant impact on a substantial number of small entities.

G. Unfunded Mandates Reform Act of 1995

The Unfunded Mandates Reform Act (UMRA, 2 U.S.C. §1501 *et seq.*) requires agencies to assess the effects of Federal regulatory actions on State, local, and Tribal governments, and the private sector. For any proposed or final rule that includes a Federal mandate that may result in the expenditure by State, local, and Tribal governments, in the aggregate of \$100 million or more in 1996 dollars (\$203 million in 2024 dollars) in any given year, the agency must prepare, amongst other things, a written statement that qualitatively and quantitatively assesses the costs and benefits of the Federal mandate.

This proposed rule does not impose unfunded mandates under UMRA. PHMSA does not expect the proposed rule will result in costs of \$100 million or more (in 1996 dollars) per year for either State, local, or Tribal governments, or to the private sector.

H. National Environmental Policy Act

The National Environmental Policy Act (NEPA, 42 U.S.C. 4321 *et seq.*) requires that Federal agencies assess and consider the impact of major Federal actions on the human and natural environment.

PHMSA analyzed this proposed rule in accordance with NEPA and issues this draft Finding of No Significant Impact (FONSI) because it has preliminarily determined that the rulemaking will not adversely affect safety and therefore will not significantly affect the quality of the human and natural environment. The

⁴ DOT, *Rulemaking Requirements Concerning Small Entities*, <https://www.transportation.gov/regulations/rulemaking-requirements-concerning-small-entities>.

public is invited to comment on the impact of the proposed action.

I. Executive Order 13175

PHMSA analyzed this proposed rule according to the principles and criteria in E.O. 13175, Consultation and Coordination with Indian Tribal Governments, and DOT Order 5301.1A (“Department of Transportation Tribal Consultation Policies and Procedures”). E.O. 13175 requires agencies to assure meaningful and timely input from Tribal government representatives in the development of rules that significantly or uniquely affect Tribal communities by imposing “substantial direct compliance costs” or “substantial direct effects” on such communities or the relationship or distribution of power between the Federal Government and Tribes.

PHMSA assessed the impact of the proposed rule and determined that it will not significantly or uniquely affect Tribal communities or Indian Tribal governments. The rulemaking’s regulatory amendments have a broad, national scope; therefore, this proposed rule will not significantly or uniquely affect Tribal communities, much less impose substantial compliance costs on Native American Tribal governments or mandate Tribal action. For these reasons, PHMSA has concluded that the funding and consultation requirements of E.O. 13175 and DOT Order 5301.1A do not apply.

J. Paperwork Reduction Act

The Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*) and its implementing regulations at 5 CFR 1320.8(d) requires that PHMSA provide interested members of the public and affected agencies with an opportunity to comment on information collection and recordkeeping requests. Sections 191.11 and 191.17 require operators of gas distribution pipelines, gas transmission pipelines, regulated gas gathering pipelines, Type R gas gathering pipelines, UNGS facilities, and LNG facilities to submit an annual report to PHMSA by March 15 for the preceding calendar year. PHMSA proposes to extend the annual report submission deadlines from March 15 to June 15 each calendar year in §§ 191.11 and 191.17.

Though PHMSA does not expect an increase in the burden on operators to comply, this adjustment will require a revision to the instructions for the following forms:

PHMSA F 7100.1–1 Gas Distribution Annual Report;

PHMSA F 7100.2–1 Annual Report for Gas Transmission and Gas Gathering Pipeline Operators;
PHMSA F 7100.2–3 Annual Report for TYPE R (Reporting-Regulated) GAS GATHERING PIPELINE SYSTEMS;
PHMSA F 7100.3–1 Annual Report for Liquefied Natural Gas Facilities;
PHMSA F 7100.4–1 Underground Natural Gas Storage Facility Annual Report.

PHMSA will submit the following information collection requests to OMB for approval based on the adjustments in this proposed rule. These information collections are contained in part 191. The following information is provided for each information collection: (1) Title of the information collection; (2) OMB control number; (3) Current expiration date; (4) Type of request; (5) Abstract of the information collection activity; (6) Description of affected public; (7) Estimate of total annual reporting and recordkeeping burden; and (8) Frequency of collection. The information collections will be revised as follows:

1. *Title:* Annual and Incident Reports for Gas Pipeline Operators.

OMB Control Number: 2137–0522.

Current Expiration Date: 8/31/2026.

Type of Request: Revision.

Abstract: This mandatory information collection covers the collection of data from operators of natural gas pipelines, underground natural gas storage facilities, and liquefied natural gas (LNG) facilities for annual reports. Section 191.17 requires operators of underground natural gas storage facilities, gas transmission systems, and gas gathering systems to submit an annual report by June 15 for the preceding calendar year.

Affected Public: Operators of natural, and other, gas transmission pipelines, gas gathering pipelines, underground natural gas storage facilities, and liquefied natural gas facilities.

Annual Reporting and Recordkeeping Burden:

Estimated Number of Responses: 2,445.

Estimated Annual Burden Hours: 104,596.

Frequency of Collection: Annually.

2. *Title:* Annual Report for Gas Distribution Pipeline Operators.

OMB Control Number: 2137–0629.

Current Expiration Date: 06/30/2026.

Type of Request: Revision.

Abstract: This information collection request requires operators of gas distribution pipeline systems to submit annual report data to the Office of Pipeline Safety in accordance with the regulations stipulated in part 191 by

way of form PHMSA F 7100.1–1. The form is to be submitted once for each calendar year, by June 15, for the preceding calendar year. The annual report form collects data about the pipe material, size, and age. The form also collects data on leaks from these systems as well as excavation damages. PHMSA uses the information to track the extent of gas distribution systems and normalize incident and leak rates.

Affected Public: Operators of gas distribution pipeline systems.

Annual Reporting and Recordkeeping Burden:

Estimated Number of Responses: 1,446.

Estimated Annual Burden Hours: 28,920.

Frequency of Collection: Annually.

Requests for copies of this information collection should be directed to Angela Hill at angela.hill@dot.gov. Comments are invited on:

(a) The need for the proposed collection of information for the proper performance of the functions of the agency, including whether the information will have practical utility;

(b) The accuracy of the agency’s estimate of the burden of the revised collection of information, including the validity of the methodology and assumptions used;

(c) Ways to enhance the quality, utility, and clarity of the information to be collected; and

(d) Ways to minimize the burden of the collection of information on those who are to respond, including the use of appropriate automated, electronic, mechanical, or other technological collection techniques.

Send comments directly to the Office of Management and Budget, Office of Information and Regulatory Affairs, Attn: Desk Officer for the Department of Transportation, 725 17th Street NW, Washington, DC 20503. Comments should be submitted on or prior to June 23, 2026.

K. Executive Order 13609 and International Trade Analysis

E.O. 13609, *Promoting International Regulatory Cooperation*, requires agencies to consider whether the impacts associated with significant variations between domestic and international regulatory approaches are unnecessary or may impair the ability of American business to export and compete internationally. In meeting shared challenges involving health, safety, labor, security, environmental, and other issues, international regulatory cooperation can identify approaches that are at least as protective as those that are or would be adopted in

the absence of such cooperation. International regulatory cooperation can also reduce, eliminate, or prevent unnecessary differences in regulatory requirements.

Similarly, the Trade Agreements Act of 1979 (Pub. L. 96–39), as amended by the Uruguay Round Agreements Act (Pub. L. 103–465), prohibits Federal agencies from establishing any standards or engaging in related activities that create unnecessary obstacles to the foreign commerce of the United States. For purposes of these requirements, Federal agencies may participate in the establishment of international standards, so long as the standards have a legitimate domestic objective, such as providing for safety, and do not operate to exclude imports that meet this objective. The statute also requires consideration of international standards and, where appropriate, that they be the basis for U.S. standards.

PHMSA engages with international standards setting bodies to protect the safety of the American public. PHMSA has assessed the effects of the proposed rule and has determined that its proposed regulatory amendments will not cause unnecessary obstacles to foreign trade.

L. Cybersecurity and Executive Order 14028

E.O. 14028, *Improving the Nation's Cybersecurity*, directs the Federal Government to improve its efforts to identify, deter, and respond to “persistent and increasingly sophisticated malicious cyber campaigns.” PHMSA has considered the effects of the proposed rule and has determined that its proposed regulatory amendments would not materially affect the cybersecurity risk profile for pipeline facilities.

List of Subjects in 49 CFR Part 191

Pipeline safety, Reporting and recordkeeping requirements.

In consideration of the foregoing, PHMSA proposes to amend 49 CFR part 191 as follows:

PART 191—TRANSPORTATION OF NATURAL AND OTHER GAS BY PIPELINE; ANNUAL, INCIDENT, AND OTHER REPORTING

■ 1. The authority citation for part 191 continues to read as follows:

Authority: 30 U.S.C. 185(w)(3), 49 U.S.C. 5121, 60101 *et seq.*, and 49 CFR 1.97.

§ 191.11 [AMENDED]

■ 2. In § 191.11, remove the word “March” and add in its place the word “June”.

§ 191.17 [AMENDED]

■ 3. In § 191.17(a)(1), (a)(2), (b), and (c) remove the phrase “March 15” and add in its place the phrase “June 15”.

§ 191.29 [AMENDED]

■ 4. In § 191.29(b), remove the phrase “March 15” and add in its place the phrase “June 15”.

Issued in Washington, DC, on April 22, 2026, under the authority delegated in 49 CFR 1.97.

Paul J. Roberti,
Administrator.

[FR Doc. 2026–08081 Filed 4–23–26; 8:45 am]

BILLING CODE 4910–60–P

DEPARTMENT OF TRANSPORTATION

Pipeline and Hazardous Materials Safety Administration

49 CFR Parts 191 and 195

[Docket No. PHMSA–2026–1551]

RIN 2137–AG55

Pipeline Safety: Adjustment to OPID Notifications for Construction

AGENCY: Pipeline and Hazardous Materials Safety Administration (PHMSA), Department of Transportation (DOT).

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: This NPRM proposes to increase the monetary threshold for Operator Identification Number notifications for certain construction and maintenance tasks on gas and hazardous liquid and carbon dioxide pipeline facilities. PHMSA is also proposing to adjust inflation adjustment procedures to provide a mechanism for updating these thresholds on an annual basis.

DATES: Comments must be received on or before June 23, 2026.

ADDRESSES: You may submit comments identified by the Docket Number PHMSA–2026–1551 using any of the following methods:

E-Gov Web: <https://www.regulations.gov>. This site allows the public to enter comments on any Federal Register notice issued by any agency. Follow the online instructions for submitting comments.

Mail: Docket Management System: U.S. Department of Transportation, 1200 New Jersey Avenue SE, West Building Ground Floor, Room W12–140, Washington, DC 20590–0001.

Hand Delivery: U.S. DOT Docket Management System: 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.

For commenting instructions and additional information about commenting, see **SUPPLEMENTARY INFORMATION**.

FOR FURTHER INFORMATION CONTACT:

Sayler Palabrica, Transportation Specialist, 1200 New Jersey Avenue SE, Washington, DC 20590, 202–281–5413, sayler.palabrica@dot.gov.

SUPPLEMENTARY INFORMATION:

I. General Discussion

Through this NPRM, PHMSA is proposing to revise §§ 191.22(c) and 195.64(c) to update to \$20 million the monetary threshold triggering an operator notification to PHMSA when the operator performs certain construction activities on natural gas and hazardous liquid pipeline facilities, and update to \$300,000 or more the monetary threshold triggering an operator notification to PHMSA when the operator performs certain maintenance tasks on underground natural gas storage facilities (UNGSF). PHMSA is also proposing in this NPRM to revise the property damage threshold inflation-indexing formula in Appendix A to Part 191 to broaden it and include inflation adjustments for these construction and maintenance activity notification thresholds.

Sections 191.22(c) and 195.64(c) currently require operators to notify PHMSA for “[c]onstruction or any planned rehabilitation, replacement, modification, upgrade, uprate, or update of a facility, other than a section of line pipe, that costs \$10 million or more.” Section 191.22(c) also requires operators to notify PHMSA for “[m]aintenance of a UNGSF that involves the plugging or abandonment of a well, or that requires a workover rig and costs \$200,000 or more for an individual well, including its wellhead.”

In response to DOT’s request for information (90 FR 14593 (April 3, 2025)), the American Gas Association (AGA) and American Public Gas Association (APGA) requested that PHMSA update § 191.22(c) to account for inflation, stating that “construction costs have increased to the point that a minor regulating station upgrade in a high cost area such as [New York City] could easily result in costs that exceed the \$10 million threshold.”¹

¹ American Gas Association and American Public Gas Association, “Comments on Ensuring Lawful Regulation; Reducing Regulation and Controlling Regulatory Costs” (May 5, 2025), <https://www.aga.org/~/media/AGA/Policy/Comments/Comments-on-Ensuring-Lawful-Regulation-Reducing-Regulation-and-Controlling-Regulatory-Costs.pdf>.

PHMSA agrees with AGA and APGA and is proposing to increase the base threshold amount for both notifications. Since construction notification requirements were put into place for pipelines in 2010 and for UNGSFs in 2020, inflation indexes associated with construction have increased sharply. The Producer Price Index (PPI) for construction materials has risen by 74 percent since 2010 and by 37 percent since 2020; the PPI for new nonresidential build construction has risen by 83 percent since 2010 and by 40 percent since 2020; the National Highway Construction Cost Index (NHCCI) has risen by 124 percent since 2010 and by 65 percent since 2020; and the Mortensen Construction Cost Index has increased by 105 percent since 2010 and by 43 percent since 2020.²

In response, PHMSA is proposing to increase the threshold for construction notifications to \$20 million for pipeline construction notifications and \$300,000 for UNGS construction notifications. In addition, PHMSA proposes to update the inflation adjustment methodology in Appendix A to Part 191 for updating these monetary thresholds on an annual basis based on published changes in the average annual PPI for construction materials for the most recent complete calendar year. Each year after calendar year 2026, the Administrator will publish a notice on PHMSA's website announcing the updates to the incident reporting and OPID construction notification property damage threshold criteria that will take effect on July 1 of that year and will remain in effect until the June 30 of the next year. This process is identical to the existing procedure for determining the incident reporting definition, albeit it references the PPI for construction materials rather than the CPI for all urban consumers. PHMSA, in a parallel action titled "Pipeline Safety: Property Damage Definition for Incident Reporting on Gas Pipelines and Accidents on Hazardous Liquid Pipelines," is proposing to adopt

a new Appendix D to Part 195 that mirrors the inflation adjustment procedures of Appendix A in Part 191. PHMSA repeats the proposed Appendix D language in both NPRMs. See Docket No. PHMSA–2025–0109, RIN 2137–AF78 for more information and analysis on the proposal to adopt an inflation adjustment to the property damage threshold criteria for accident reporting and National Response Center notification in subpart B to Part 195.

PHMSA does not expect that the proposed revisions would have any adverse effect on pipeline safety. In addition, the methodology for calculating the property damage criterion for incident reporting would remain unchanged.

Commenting Instructions: Please include the docket number PHMSA–2026–1551 at the beginning of your comments. If you submit your comments by mail, submit two copies. If you wish to receive confirmation that PHMSA received your comments, include a self-addressed stamped postcard. Internet users may submit comments at <https://www.regulations.gov>.

Note: Comments are posted without changes or edits to <https://www.regulations.gov>, including any personal information provided. There is a privacy statement published on <https://www.regulations.gov>.

Privacy Act: In accordance with 5 U.S.C. 553(c), DOT solicits comments from the public to inform its rulemaking process. DOT posts these comments, without edit, including any personal information the commenter provides, to <https://www.regulations.gov>, as described in the system of records notice (DOT/ALL–14 FDMS), which can be reviewed at <https://www.dot.gov/privacy>.

Confidential Business Information: Confidential Business Information (CBI) is commercial or financial information that is both customarily and actually treated as private by its owner. Under the Freedom of Information Act (FOIA, 5 U.S.C. 552), CBI is exempt from public disclosure. It is important that you clearly designate the comments submitted as CBI if: your comments responsive to this document contain commercial or financial information that is customarily treated as private; you actually treat such information as private; and your comment is relevant or responsive to this notice. Pursuant to 49 CFR 190.343, you may ask PHMSA to provide confidential treatment to information you give to the agency by taking the following steps: (1) mark each page of the original document

submission containing CBI as "Confidential;" (2) send PHMSA, along with the original document, a second copy of the original document with the CBI deleted; and (3) explain why the information that you are submitting is CBI. Submissions containing CBI should be sent to Sayler Palabrica, Office of Pipeline Safety Standards and Rulemaking Division, Pipeline and Hazardous Materials Safety Administration (PHMSA), 2nd Floor, 1200 New Jersey Avenue SE, Washington, DC 20590–0001, or by email at sayler.palabrica@dot.gov. Any materials PHMSA receives that is not specifically designated as CBI will be placed in the public docket.

Docket: For access to the docket to read background documents or comments received, go to <http://www.regulations.gov>. Follow the online instructions for accessing the docket. Alternatively, you may review the documents in person at the street address listed above.

II. Regulatory Analysis and Notices

A. Legal Authority

This proposed rule is published under the authority of the Secretary of Transportation set forth in the Federal Pipeline Safety Laws (49 U.S.C. 60101 *et seq.*) and delegated to the PHMSA Administrator pursuant to 49 CFR 1.97.

B. Statutory Requirement and Executive Order 12866

The Federal Pipeline Safety Laws (49 U.S.C. 60102(b)) require that PHMSA prepare a risk assessment that identifies the costs and benefits associated with a proposed regulatory change. E.O. 12866, *Regulatory Planning and Review*, as implemented by DOT Order 2100.6B ("Policies and Procedures for Rulemaking") and DOT Order 2100.7 ("Ensuring Reliance upon Sound Economic Analysis in Department of Transportation Policies, Programs, and Activities"), requires agencies to regulate in the "most cost-effective manner," to make a "reasoned determination that the benefits of the intended regulation justify its costs," and to develop regulations that "impose the least burden on society." In arriving at those conclusions, E.O. 12866 requires that agencies should consider "both quantifiable measures . . . and qualitative measures of costs and benefits that are difficult to quantify" and "maximize net benefits . . . unless a statute requires another regulatory approach." E.O. 12866 also requires that "agencies should assess all costs and benefits of available regulatory alternatives, including the alternative of

www.regulations.gov/comment/DOT-OST-2025-0026-0897.

² Federal Reserve Bank of St. Louis, *Producer Price Index by Commodity: Special Indexes: Construction Materials* (last accessed Jan. 23, 2026), <https://fred.stlouisfed.org/series/WPU51012011>; Federal Reserve Bank of St. Louis, *Producer Price Index by Commodity: Construction (Partial): New Nonresidential Building Construction* (last accessed Jan. 23, 2026), <https://fred.stlouisfed.org/series/WPU801>; DOT, *National Highway Construction Cost Index* (last accessed Jan. 23, 2026), https://explore.dot.gov/views/NHInflationDashboard/NHCCI_1?%3Aiid=1&%3Aembed=y&%3AisGuestRedirectFromVizportal=y&%3Adisplay_count=n&%3AshowVizHome=n&%3Aorigin=viz_share_link; Mortenson, *Construction Cost Index* (last accessed Jan. 23, 2026), <https://www.mortenson.com/cost-index>.

not regulating.” DOT Order 2100.6B directs that PHMSA and other Operating Administrations must generally choose the “least costly regulatory alternative that achieves the relevant objectives” unless required by law or compelling safety need. DOT Order 2100.6B also specifies that regulations should generally “not be issued unless their benefits are expected to exceed their costs” unless required by law or compelling safety need. DOT Order 2100.7 requires that “all rulemaking activities shall be based on sound economic principles and analysis supported by rigorous cost-benefit requirement.”

E.O. 12866 and DOT Order 2100.6B also require that PHMSA submit “significant regulatory actions” to the Office of Information and Regulatory Affairs (OIRA) within the Executive Office of the President’s Office of Management and Budget (OMB) for review. This proposed rule is a not significant regulatory action pursuant to E.O. 12866; OMB also has not designated this rule as a “major rule” as defined by the Congressional Review Act (5 U.S.C. 801 *et seq.*).

PHMSA has complied with the procedural and analytical requirements in E.O. 12866 as implemented by DOT Order 2100.6B and DOT Order 2100.7, as well as the requirements in 49 U.S.C. 60102(b), and preliminarily determined that this proposed rule will result in cost savings by reducing regulatory burdens for gas and hazardous liquid pipeline facility operators by reducing the number of notifications operators are required to submit. The accompanying Preliminary Regulatory Impact Analysis will provide detailed estimates of the potential costs savings to operators from reduced notification requirements. PHMSA estimates that the proposed rule would result in approximately \$21,005 in cost savings annually. PHMSA expects these cost savings may also result in reduced costs for the public to whom pipeline operators generally transfer a portion of their compliance costs. PHMSA also preliminarily determined that the proposed rule would not have any adverse effects on safety, as it only adjusts reporting requirements to keep up with inflation.

C. Executive Orders 14192 and 14219

This proposed rule, if finalized as proposed, is expected to be a deregulatory action pursuant to E.O. 14192, *Unleashing Prosperity Through Deregulation*. PHMSA estimates that the total costs of the NPRM on the regulated community will be less than zero. Nor does this rulemaking implicate any of

the factors identified in section 2(a) of E.O. 14219, *Ensuring Lawful Governance and Implementing the President’s “Department of Government Efficiency” Deregulatory Initiative*, indicative that a regulation is “unlawful . . . [or] that undermine[s] the national interest.”

D. Energy-Related Executive Orders 13211, 14154, and 14156

The President has declared in E.O. 14156, *Declaring a National Energy Emergency*, a national emergency to address America’s inadequate energy development production, transportation, refining, and generation capacity. Similarly, E.O. 14154, *Unleashing American Energy*, asserts a Federal policy to unleash American energy by ensuring access to abundant supplies of reliable, affordable energy from (inter alia) the removal of “undue burden[s]” on the identification, development, or use of domestic energy resources such as PHMSA-jurisdictional gases and hazardous liquids. PHMSA preliminarily finds this proposed rule is consistent with each of E.O. 14156 and E.O. 14154. The proposed rule will give affected pipeline operators relief from unnecessary notifications that are not safety related. PHMSA therefore expects the regulatory amendments in this proposed rule will in turn improve pipeline operators’ ability to provide abundant, reliable, affordable natural gas and hazardous liquid in response to residential, commercial, and industrial demand.

However, this proposed rule is not a “significant energy action” under E.O. 13211, *Actions Concerning Regulations That Significantly Affect Energy Supply, Distribution, or Use*, which requires Federal agencies to prepare a Statement of Energy Effects for any “significant energy action.” Because this proposed rule is not a significant action under E.O. 12866, it will not have a significant adverse effect on supply, distribution, or energy use.

E. Executive Order 13132: Federalism

PHMSA analyzed this proposed rule in accordance with the principles and criteria contained in E.O. 13132, *Federalism*, and the Presidential Memorandum (“Preemption”) published in the **Federal Register** on May 22, 2009. E.O. 13132 requires agencies to assure meaningful and timely input by State and local officials in the development of regulatory policies that may have “substantial direct effects on the States, on the relationship between the National Government and the States, or on the distribution of power and

responsibilities among the various levels of government.”

While the proposed rule may (when finalized) operate to preempt some State requirements, it would not impose any regulation that has substantial direct effects on the States, the relationship between the National Government and the States, or the distribution of power and responsibilities among the various levels of government. Section 60104(c) of the Federal Pipeline Safety Laws prohibits certain State safety regulation of interstate pipelines. Under the Federal Pipeline Safety Laws, States that have submitted a current certification under section 60105(a) can augment Federal pipeline safety requirements for intrastate pipelines regulated by PHMSA but may not approve safety requirements less stringent than those required by Federal law. A State may also regulate an intrastate pipeline facility that PHMSA does not regulate. The preemptive effect of the regulatory amendments in this proposed rule is limited to the minimum level necessary to achieve the objectives of the Federal Pipeline Safety Laws. Therefore, the consultation and funding requirements of E.O. 13132 do not apply.

F. Regulatory Flexibility Act

The Regulatory Flexibility Act (RFA, 5 U.S.C. 601 *et seq.*) requires Federal agencies to conduct an Initial Regulatory Flexibility Analysis (IRFA) for a proposed rule subject to notice-and-comment rulemaking unless the agency head certifies that the proposed rule in the rulemaking will not have a significant economic impact on a substantial number of small entities. E.O. 13272, *Proper Consideration of Small Entities in Agency Rulemaking*, obliges agencies to establish procedures promoting compliance with the RFA. DOT posts its implementing guidance on a dedicated web page.³ This proposed rule was developed in accordance with E.O. 13272 and DOT implementing guidance to ensure compliance with the RFA. The proposed rule is expected to reduce regulatory burdens by raising the threshold for construction activities to require PHMSA notification. Further, the changes proposed here are not expected to impose additional burdens on any operator. Therefore, PHMSA certifies the proposed rule (if finalized) will not have a significant impact on a substantial number of small entities.

³ DOT, *Rulemaking Requirements Concerning Small Entities*, <https://www.transportation.gov/regulations/rulemaking-requirements-concerning-small-entities>.

G. Unfunded Mandates Reform Act of 1995

The Unfunded Mandates Reform Act (UMRA, 2 U.S.C. 1501 *et seq.*) requires agencies to assess the effects of Federal regulatory actions on State, local, and Tribal governments, and the private sector. For any proposed or final rule that includes a Federal mandate that may result in the expenditure by State, local, and Tribal governments, in the aggregate of \$100 million or more in 1996 dollars (\$203 million in 2024 dollars) in any given year, the agency must prepare, amongst other things, a written statement that qualitatively and quantitatively assesses the costs and benefits of the Federal mandate.

This proposed rule does not impose unfunded mandates under UMRA. PHMSA does not expect the proposed rule will result in costs of \$100 million or more (in 1996 dollars) per year for either State, local, or Tribal governments, or to the private sector.

H. National Environmental Policy Act

The National Environmental Policy Act (NEPA, 42 U.S.C. 4321 *et seq.*) requires that Federal agencies assess and consider the impact of major Federal actions on the human and natural environment.

PHMSA analyzed this proposed rule in accordance with NEPA and issues this draft Finding of No Significant Impact (FONSI). Increasing the notification threshold on certain construction and maintenance activities to account for inflation is procedural and does not change any substantive safety standards, construction methods, or environmental mitigation requirements; whether and how an operator performs those activities does not depend on the notification obligation. The notification to PHMSA is not to seek approval, but rather to maintain an accurate assessment of the Nation's pipeline infrastructure. Therefore, PHMSA has preliminarily determined that the rulemaking will not adversely affect safety and will not significantly affect the quality of the human and natural environment. The public is invited to comment on the impact of the proposed action.

I. Executive Order 13175

PHMSA analyzed this proposed rule according to the principles and criteria in E.O. 13175, *Consultation and Coordination with Indian Tribal Governments*, and DOT Order 5301.1A ("Department of Transportation Tribal Consultation Policies and Procedures"). E.O. 13175 requires agencies to assure meaningful and timely input from

Tribal government representatives in the development of rules that significantly or uniquely affect Tribal communities by imposing "substantial direct compliance costs" or "substantial direct effects" on such communities or the relationship or distribution of power between the Federal Government and Tribes.

PHMSA assessed the impact of the proposed rule and determined that it will not significantly or uniquely affect Tribal communities or Indian Tribal governments. The rulemaking's regulatory amendments have a broad, national scope; therefore, this proposed rule will not significantly or uniquely affect Tribal communities, much less impose substantial compliance costs on Native American Tribal governments or mandate Tribal action. For these reasons, PHMSA has concluded that the funding and consultation requirements of E.O. 13175 and DOT Order 5301.1A do not apply.

J. Paperwork Reduction Act

The Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*) and its implementing regulations at 5 CFR 1320.8(d) requires that PHMSA provide interested members of the public and affected agencies with an opportunity to comment on information collection and recordkeeping requests. PHMSA is proposing to revise § 191.22(c) to update to \$15 million the monetary threshold triggering an operator notification to PHMSA when the operator performs certain construction activities, and update to \$250,000 or more the monetary threshold triggering an operator notification to PHMSA when the operator performs certain maintenance tasks on underground natural gas storage facilities (UNGSF). PHMSA currently receives, on average, 469 Type F notifications, annually, via the Operator Registry Notification Form (PHMSA F 1000.2). As a result of this change, PHMSA expects to receive 117 fewer Type F notifications.

PHMSA will submit the following information collection request to OMB for approval based on the adjustments in this proposed rule. This information collection is contained in the Federal Pipeline Safety Regulations, 49 CFR part 191. The following information is provided for this information collection: (1) Title of the information collection; (2) OMB control number; (3) Current expiration date; (4) Type of request; (5) Abstract of the information collection activity; (6) Description of affected public; (7) Estimate of total annual reporting and recordkeeping burden; and (8) Frequency of collection. The information collection burden for the

following information collections is estimated to be revised as follows:

Title: OPID Assignment Request and Registry Notifications.

OMB Control Number: 2137–0627.

Current Expiration Date: 6/30/2028.

Type of Request: Revision.

Abstract: The National Registry of Pipeline and LNG Operators is the storehouse for the reporting requirements for an operator regulated or subject to reporting requirements under 49 CFR parts 192, 193, or 195. This mandatory information collection requires jurisdictional pipeline operators to submit the required data to register with the National Registry of Pipeline and LNG Operators and notify PHMSA when they experience significant asset changes, including new construction, that affect PHMSA's ability to monitor and assess pipeline safety performance with accuracy. Certain types of changes to, or within, an operator's facilities or pipeline network represent potential safety-altering activities for which PHMSA may need to inspect, investigate, or otherwise oversee to ensure that any public safety concerns are adequately and proactively addressed. The forms for assigning and maintaining OPID information are the Operator Assignment Request Form (PHMSA F 1000.1) and Operator Registry Notification Form (PHMSA F 1000.2). The purpose of this information collection is to maintain an accurate assessment of the Nation's pipeline infrastructure and to be kept abreast of conditions that could potentially compromise the safety and economic viability of the U.S. pipeline system. Due to the provisions contained within the Pipeline Safety: Adjustment to OPID Notifications for Construction NPRM, PHMSA expects to receive fewer notifications pertaining construction activities and maintenance tasks.

Affected Public: Operators of natural gas and hazardous liquid pipeline systems and operators of liquefied natural gas facilities.

Annual Reporting and Recordkeeping Burden:

Estimated number of responses: 627

Estimated annual burden hours: 627.

Frequency of collection: On occasion.

Requests for copies of this information collection should be directed to Angela Hill at angela.hill@dot.gov. Comments are invited on:

(a) The need for the proposed collection of information for the proper performance of the functions of the agency, including whether the information will have practical utility;

(b) The accuracy of the agency's estimate of the burden of the revised

collection of information, including the validity of the methodology and assumptions used;

(c) Ways to enhance the quality, utility, and clarity of the information to be collected; and

(d) Ways to minimize the burden of the collection of information on those who are to respond, including the use of appropriate automated, electronic, mechanical, or other technological collection techniques.

Send comments directly to the Office of Management and Budget, Office of Information and Regulatory Affairs, Attn: Desk Officer for the Department of Transportation, 725 17th Street NW, Washington, DC 20503. Comments should be submitted on or prior to June 23, 2026.

K. Executive Order 13609 and International Trade Analysis

E.O. 13609, *Promoting International Regulatory Cooperation*, requires agencies to consider whether the impacts associated with significant variations between domestic and international regulatory approaches are unnecessary or may impair the ability of American business to export and compete internationally. In meeting shared challenges involving health, safety, labor, security, environmental, and other issues, international regulatory cooperation can identify approaches that are at least as protective as those that are or would be adopted in the absence of such cooperation. International regulatory cooperation can also reduce, eliminate, or prevent unnecessary differences in regulatory requirements.

Similarly, the Trade Agreements Act of 1979 (Pub. L. 96–39), as amended by the Uruguay Round Agreements Act (Pub. L. 103–465), prohibits Federal agencies from establishing any standards or engaging in related activities that create unnecessary obstacles to the foreign commerce of the United States. For purposes of these requirements, Federal agencies may participate in the establishment of international standards, so long as the standards have a legitimate domestic objective, such as providing for safety, and do not operate to exclude imports that meet this objective. The statute also requires consideration of international standards and, where appropriate, that they be the basis for U.S. standards.

PHMSA engages with international standards setting bodies to protect the safety of the American public. PHMSA has assessed the effects of the proposed rule and has determined that its proposed regulatory amendments will

not cause unnecessary obstacles to foreign trade.

L. Cybersecurity and Executive Order 14028

E.O. 14028, *Improving the Nation's Cybersecurity*, directs the Federal Government to improve its efforts to identify, to deter, and to respond to “persistent and increasingly sophisticated malicious cyber campaigns.” PHMSA has considered the effects of the proposed rule and has determined that its proposed regulatory amendments would not materially affect the cybersecurity risk profile for pipeline facilities.

List of Subjects

49 CFR Part 191

Natural gas, Notification requirements, Pipeline safety.

49 CFR Part 195

Carbon oxides, Notification requirements, Petroleum, Pipeline safety.

For the reasons set forth above, PHMSA proposes to amend 49 CFR parts 191 and 195 as follows:

PART 191—TRANSPORTATION OF NATURAL AND OTHER GAS BY PIPELINE; ANNUAL, INCIDENT, AND OTHER REPORTING

■ 1. The authority citation for Part 191 continues to read as follows:

Authority: 30 U.S.C. 185(w)(3), 49 U.S.C. 5121, 60101 *et seq.*, and 49 CFR 1.97.

■ 2. In § 191.22 revise the introductory text of (c)(1) and revise paragraphs (c)(1)(i) and (c)(1)(iv) to read as follows:

§ 191.22 National Registry of Operators

* * * * *

(c) * * *

(1) An operator must notify PHMSA of any of the following events at least 60 days before the event occurs. For inflation adjustments observed in calendar year 2026 onwards, changes to the monetary reporting thresholds below will be posted on PHMSA’s website. These changes will be determined in accordance with the procedures in Appendix A to Part 191:

(i) Construction or any planned rehabilitation, replacement, modification, upgrade, uprate, or update of a facility, other than a section of line pipe, that costs \$15 million or more. If 60-day notice is not feasible because of an emergency, an operator must notify PHMSA as soon as practicable;

* * * * *

(iv) Maintenance of a UNGSF that involves the plugging or abandonment

of a well, or that requires a workover rig and costs \$250,000 or more for an individual well, including its wellhead. If 60-day notice is not feasible because of an emergency, an operator must notify PHMSA as soon as practicable;

* * * * *

■ 3. Revise Appendix A to Part 191 to read as follows:

Appendix A to Part 191—Procedure for Determining Reporting Thresholds

I. Reporting Threshold Formula

Each year after calendar year 2026, the Administrator will publish a notice on PHMSA’s website announcing the updates to the incident reporting property damage threshold and OPID construction notification criteria that will take effect on July 1 of that year and will remain in effect until the June 30 of the next year. The reporting threshold used in this part shall be determined in accordance with the following formula:

$$T_r = T_p \times \frac{PI_r}{PI_p}$$

Where:

T_r is the revised reporting threshold,

T_p is the previous reporting threshold,

PI_r is the average price index published by the Bureau of Labor Statistics each month during the most recent complete calendar year. PHMSA will use the Consumer Price Indices for all Urban Consumers for incident reporting and the Producer Price Index for construction materials for OPID construction notifications.

PI_p is the average price index for the calendar year used to establish the previous incident reporting property damage criteria or OPID construction notification criteria, as appropriate.

PART 195—TRANSPORTATION OF HAZARDOUS LIQUIDS BY PIPELINE

■ 4. The authority citation for Part 195 continues to read as follows:

Authority: 30 U.S.C. 185(w)(3), 49 U.S.C. 5103, 60101 *et seq.*, and 49 CFR 1.97.

■ 5. In § 195.64, revise paragraph (c)(1)(i) to read as follows:

§ 195.64 National Registry of Operators

* * * * *

(c) * * *

(1) * * *

(i) Construction or any planned rehabilitation, replacement, modification, upgrade, uprate, or update of a facility, other than a section of line pipe, that costs \$20 million or more. If 60-day notice is not feasible because of an emergency, an operator must notify PHMSA as soon as practicable. For inflation adjustments observed in calendar year 2026 onwards, changes to the monetary reporting thresholds

below will be posted on PHMSA's website. These changes will be determined in accordance with the procedures in Appendix D to Part 195;

* * * * *

■ 6. Add appendix D to Part 195 to read as follows

Appendix D to Part 195—Procedure for Determining Reporting Thresholds

I. Reporting Threshold Formula

Each year after calendar year 2026, the Administrator will publish a notice on PHMSA's website announcing the updates to property damage threshold criteria for accident reporting, National Response Center (NRC) notification, and construction notifications that will take effect on July 1 of that year and will remain in effect until the June 30 of the next year. The reporting threshold used in this part shall be determined in accordance with the following formula:

$$T_r = T_p \times \frac{PI_r}{PI_p}$$

Where:

T_r is the revised reporting threshold,

T_p is the previous reporting threshold,

PI_r is the average price index published by the Bureau of Labor Statistics each month during the most recent complete calendar year. PHMSA will use the Consumer Price Indices for all Urban Consumers for accident reporting and NRC notifications and the Producer Price Index for construction materials for OPIID construction notifications.

PI_p is the average price index for the calendar year used to establish the previous property damage criteria for accident reporting, NRC notification, or construction notification, as appropriate.

Issued in Washington, DC, on April 22, 2026, under the authority delegated in 49 CFR 1.97.

Paul J. Roberti,
Administrator.

[FR Doc. 2026-08082 Filed 4-23-26; 8:45 am]

BILLING CODE 4910-60-P

DEPARTMENT OF TRANSPORTATION

Pipeline and Hazardous Materials Safety Administration

49 CFR Parts 191 and 195

[Docket No. PHMSA-2025-0109]

RIN 2137-AF78

Pipeline Safety: Property Damage Definition for Reporting Incidents on Gas Pipelines and Accidents on Hazardous Liquid and Carbon Dioxide Pipelines

AGENCY: Pipeline and Hazardous Materials Safety Administration

(PHMSA), Department of Transportation (DOT).

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: PHMSA proposes to revise the definition of property damage for determining when a release from a gas, hazardous liquid, or carbon dioxide pipeline facility meets the definition of a reportable incident or accident, including for immediate notifications to the National Response Center. This NPRM addresses comments received in response to a now-withdrawn direct final rule covering the same topic.

DATES: Comments must be received on or before June 23, 2026.

ADDRESSES: You may submit comments identified by the Docket Number PHMSA-2025-0109 using any of the following methods:

E-Gov Web: <https://www.regulations.gov>. This site allows the public to enter comments on any **Federal Register** notice issued by any agency. Follow the online instructions for submitting comments.

Mail: Docket Management System: U.S. Department of Transportation, 1200 New Jersey Avenue SE, West Building Ground Floor, Room W12-140, Washington, DC 20590-0001.

Hand Delivery: U.S. DOT Docket Management System: 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.

For commenting instructions and additional information about commenting, see **SUPPLEMENTARY INFORMATION**.

FOR FURTHER INFORMATION CONTACT:

Sayler Palabrica, Transportation Specialist, 1200 New Jersey Avenue SE, Washington, DC 20590, 202-744-0825, sayler.palabrica@dot.gov.

SUPPLEMENTARY INFORMATION:

I. General Discussion

On July 1, 2025, PHMSA published a direct final rule (DFR) clarifying the property damage thresholds that apply in determining whether a release is a reportable incident pursuant to 49 CFR 191.9 or 191.15 or reportable accident pursuant to 49 CFR 195.50(e) to exclude certain indirect costs associated with accessing the facility to perform repairs (90 FR 28050 (July 1, 2025)). The DFR would have also adopted for hazardous liquid and carbon dioxide pipeline accident reporting under Part 195 the inflation adjustment methodology that was previously adopted for reporting gas pipeline incidents in § 191.3 and

Appendix A to Part 191. PHMSA received four comments from the public in response to the DFR, including adverse comments as defined in 49 CFR 190.339(b). PHMSA therefore withdrew the DFR in accordance with the Agency's DFR procedures in § 190.339. For the reasons described in the DFR and this NPRM, PHMSA republishes the amendments in the DFR with revisions to address public comments.

The American Petroleum Institute, the Liquid Energy Pipeline Association, and Enbridge submitted comments noting that the DFR creates a misalignment between the property damage criterion for submitting 30-day reports of accidents under § 195.50 and the immediate notifications to the National Response Center (NRC) under § 195.52.^{1,2} In comparison, the requirements for NRC notifications for gas pipeline incidents in § 191.5 cross-reference the incident definition in § 191.3 and, therefore, the criteria remain aligned. Enbridge also recommended an editorial correction to a cross-reference in Appendix D to Part 195. PHMSA notes that the omission of updates for the NRC reporting criteria in § 195.52 was not intended.

The Pipeline Safety Trust (PST) and the Environmental Defense Fund (EDF) submitted comments objecting to the DFR on procedural grounds.^{3,4} These commenters also raised concern that the revised property damage threshold for reporting accidents and other clarifications to the property damage definition would reduce the amount of safety data available to the public and to PHMSA. PST commented that it was unclear whether the DFR applied to carbon dioxide pipelines and raised concerns that that the accident criteria already filter out "many large and potentially dangerous safety-related

¹ American Petroleum Institute and Liquid Energy Pipeline Association, "Comment on Pipeline Safety: Property Damage Definition for Incident Reporting on Gas Pipelines and Accidents on Hazardous Liquid Pipelines" at 2 (Sep. 2, 2025), <https://www.regulations.gov/comment/PHMSA-2025-0109-0004>.

² Enbridge, "Comment on Pipeline Safety: Property Damage Definition for Incident Reporting on Gas Pipelines and Accidents on Hazardous Liquid Pipelines" at 1 (July 25, 2025), <https://www.regulations.gov/comment/PHMSA-2025-0109-0002>.

³ Pipeline Safety Trust, "Comment on Pipeline Safety: Property Damage Definition for Incident Reporting on Gas Pipelines and Accidents on Hazardous Liquid Pipelines" (Sept. 2, 2025), <https://www.regulations.gov/comment/PHMSA-2025-0109-0003>.

⁴ Environmental Defense Fund, "Comment on Pipeline Safety: Property Damage Definition for Incident Reporting on Gas Pipelines and Accidents on Hazardous Liquid Pipelines" (Sept. 2, 2025), <https://www.regulations.gov/comment/PHMSA-2025-0109-0005>.

events.” Both PST and EDF commented that reducing the number of accident reports submitted to PHMSA reduces the value of the database, particularly for trend analysis, and undermines Federal and public oversight.

PHMSA is addressing procedural concerns raised by public comments by publishing this NPRM with a risk assessment (preliminary regulatory impact analysis (PRIA)). PHMSA also emphasizes that accident report and immediate notice requirements in §§ 195.50 and 195.52, and therefore any revisions to those requirements, apply to both hazardous liquid and carbon dioxide pipelines. PHMSA maintains that, under the proposed accident definition, consequential releases remain reportable. The other criteria for fire or explosion, a release of five gallons or more (or five barrels (210 gallons) for certain contained releases), and injury resulting in death or hospitalization remain reportable regardless of a change in the property damage definition. Accidents with between \$50,000 and \$149,700 of property damage that do not meet the other criteria are definitionally the least-consequential releases reported to PHMSA and would likely not have been reported when the accident definition was put into place. Incidents and accidents where the sole consequences are temporary removal of pavement, permit acquisition, and repair costs are even less significant and likely do not warrant the urgent, detailed reporting required for incident and annual reports.

In addition, PHMSA disagrees with the comments it received that revising the property damage definition upsets trend analysis. In fact, a static property damage criteria results in the incident or accident definition changing over time in inflation-adjusted terms; PHMSA has historically accounted for this fact in trend analysis of “significant incidents” that filter out incidents and accidents with less than \$50,000 in costs in 1984 dollars.⁵ Finally, regarding the cost of lost product in hazardous liquid and carbon dioxide pipeline accident reports, operators are required to report estimated release volumes. The total cost of lost product can be derived from this information using current or historical price information from sources such as the U.S. Energy Information Administration. Requiring this information from the operator is not necessary.

For the reasons described above and set forth in the DFR, PHMSA republishes the amendments it proposed in the DFR with revisions to ensure the property damage criterion for NRC reporting in § 195.52 are consistent with accident reporting requirements in § 195.50. This proposal is consistent with historical practice and avoids unnecessarily complicated reporting procedures. As an alternative, PHMSA requests comment on replacing the immediate notice criteria in § 195.52(a)(1) through (a)(3) and (a)(4) with a cross-reference to the accident criteria in § 195.50. PHMSA proposes to retain the water pollution criteria for NRC reporting because it supports the implementation of oil spill response plan requirements in Part 194. The NPRM also proposes editorial amendments to Appendix D to Part 195 to correct the cross-reference to § 195.50(e) and to include the cross-reference to the amended § 195.52(a)(3). The proposals to adopt inflation-adjusted incident and accident definitions in parts 191 and 195 are otherwise unchanged.

This NPRM also includes the proposal to address National Association of Pipeline Safety Representatives Resolution 2021–01, “A Resolution Seeking a Modification of PHMSA’s Instructions for Incident Reporting for Gas Distribution, Gas Transmission, and Gas Gathering Systems,” described in the DFR. Specifically, PHMSA proposes to revise the definitions of the terms incident and accident to clarify that the costs associated with obtaining permits and removing or replacing infrastructure undamaged by an event (e.g., the cost to temporarily remove pavement needed for access and repair activity) do not need to be included when calculating the property damage reporting threshold. Though operators would still report indirect impacts as consequences on the incident and accident report forms, those impacts do not determine if an event is reportable.

Finally, PHMSA proposes to revise the property damage criterion for gas pipelines to \$149,700 in both § 191.3 and Appendix A to Part 191 to align it with the proposed criterion for hazardous liquid pipelines. This property damage criterion value is currently published on PHMSA’s website and proposing to republish it in the regulations has no substantive effect other than making it clearer that the property damage criteria in parts 191 and 195 are the same.

PHMSA, in a parallel action titled “Pipeline Safety: Adjustment to OPID Notifications for Construction,” is proposing to adopt a similar inflation adjustment procedure to construction

notifications based on year-on-year change in the Producer Price Index (PPI) for construction materials.⁶ PHMSA repeats the proposed Appendix D language in both NPRMs.⁷

Commenting Instructions: Please include the docket number PHMSA–2025–0109 at the beginning of your comments. If you submit your comments by mail, submit two copies. If you wish to receive confirmation that PHMSA received your comments, include a self-addressed stamped postcard. Internet users may submit comments at <https://www.regulations.gov>.

Note: Comments are posted without changes or edits to <https://www.regulations.gov>, including any personal information provided. There is a privacy statement published on <https://www.regulations.gov>.

Privacy Act: In accordance with 5 U.S.C. 553(c), DOT solicits comments from the public to inform its rulemaking process. DOT posts these comments, without edit, including any personal information the commenter provides, to <https://www.regulations.gov>, as described in the system of records notice (DOT/ALL–14 FDMS), which can be reviewed at <https://www.dot.gov/privacy>.

Confidential Business Information: Confidential Business Information (CBI) is commercial or financial information that is both customarily and actually treated as private by its owner. Under the Freedom of Information Act (FOIA, 5 U.S.C. 552), CBI is exempt from public disclosure. It is important that you clearly designate the comments submitted as CBI if: your comments responsive to this document contain commercial or financial information that is customarily treated as private; you actually treat such information as private; and your comment is relevant or responsive to this notice. Pursuant to 49 CFR 190.343, you may ask PHMSA to provide confidential treatment to information you give to the agency by taking the following steps: (1) mark each page of the original document submission containing CBI as “Confidential;” (2) send PHMSA, along with the original document, a second copy of the original document with the CBI deleted; and (3) explain why the information that you are submitting is

⁶ Federal Reserve Bank of St. Louis, *Producer Price Index by Commodity: Special Indexes: Construction Materials* (last accessed Jan. 23, 2026), available at: <https://fred.stlouisfed.org/series/WPUSI012011>.

⁷ See Docket No. PHMSA–2026–1551, RIN 2137–AG55 (proposing inflation adjustment of the construction notification requirements in subpart B to part 195).

⁵ PHMSA, *Pipeline Incident 20 Year Trends* (Aug. 27, 2025), <https://www.phmsa.dot.gov/data-and-statistics/pipeline/pipeline-incident-20-year-trends>.

CBI. Submissions containing CBI should be sent to Sayler Palabrica, Office of Pipeline Safety Standards and Rulemaking Division, Pipeline and Hazardous Materials Safety Administration (PHMSA), 2nd Floor, 1200 New Jersey Avenue SE, Washington, DC 20590–0001, or by email at sayler.palabrica@dot.gov. Any materials PHMSA receives that is not specifically designated as CBI will be placed in the public docket.

Docket: For access to the docket to read background documents or comments received, go to <http://www.regulations.gov>. Follow the online instructions for accessing the docket. Alternatively, you may review the documents in person at the street address listed above.

II. Regulatory Analysis and Notices:

A. Legal Authority

This proposed rule is published under the authority of the Secretary of Transportation set forth in the Federal Pipeline Safety Laws (49 U.S.C. 60101 *et seq.*) and delegated to the PHMSA Administrator pursuant to 49 CFR 1.97.

B. Statutory Requirement and Executive Order 12866

The Federal Pipeline Safety Laws (49 U.S.C. 60102(b)) require that PHMSA prepare a risk assessment that identifies the costs and benefits associated with a proposed regulatory change. E.O. 12866, *Regulatory Planning and Review*, as implemented by DOT Order 2100.6B (“Policies and Procedures for Rulemaking”) and DOT Order 2100.7 (“Ensuring Reliance upon Sound Economic Analysis in Department of Transportation Policies, Programs, and Activities”), requires agencies to regulate in the “most cost-effective manner,” to make a “reasoned determination that the benefits of the intended regulation justify its costs,” and to develop regulations that “impose the least burden on society.” In arriving at those conclusions, E.O. 12866 requires that agencies should consider “both quantifiable measures . . . and qualitative measures of costs and benefits that are difficult to quantify” and “maximize net benefits . . . unless a statute requires another regulatory approach.” E.O. 12866 also requires that “agencies should assess all costs and benefits of available regulatory alternatives, including the alternative of not regulating.” DOT Order 2100.6B directs that PHMSA and other Operating Administrations must generally choose the “least costly regulatory alternative that achieves the relevant objectives” unless required by law or compelling

safety need. DOT Order 2100.6B also specifies that regulations should generally “not be issued unless their benefits are expected to exceed their costs.” DOT Order 2100.7 requires that “all rulemaking activities shall be based on sound economic principles and analysis supported by rigorous cost-benefit requirement.”

E.O. 12866 and DOT Order 2100.6B also require that PHMSA submit “significant regulatory actions” to the Office of Information and Regulatory Affairs (OIRA) within the Executive Office of the President’s Office of Management and Budget (OMB) for review. This proposed rule is a not significant regulatory action pursuant to E.O. 12866; OMB also has not designated this rule as a “major rule” as defined by the Congressional Review Act (5 U.S.C. 801 *et seq.*).

PHMSA has complied with the procedural and analytical requirements in E.O. 12866 as implemented by DOT Order 2100.6B and DOT Order 2100.7, as well as the requirements in 49 U.S.C. 60102(b) and preliminarily determined that this NPRM will result in some cost savings by reducing regulatory burdens associated with submitting urgent, detailed reports of low-consequence releases from hazardous liquid and carbon dioxide pipelines. Based on historical incident data, PHMSA estimates that approximately five incidents per year would meet the current reporting requirements but not the proposed requirements, out of an average of over 370 incidents per year. The accompanying PRIA provides detailed estimates of the cost savings to operators from the reduced reporting burden. PHMSA estimates that the changes in the proposed rule would result in cost savings of \$5,235 annually. PHMSA expects these cost savings may also result in reduced costs for the public to whom pipeline operators generally transfer a portion of their compliance costs. PHMSA has also preliminarily determined that the NPRM will not have any adverse safety and environmental effects since the average release of those incidents that would have been exempted was less than four gallons.

C. Executive Orders 14192 and 14219

This proposed rule, if finalized as proposed, is expected to be a deregulatory action pursuant to E.O. 14192, *Unleashing Prosperity Through Deregulation*. PHMSA estimates that the total costs of the NPRM on the regulated community will be less than zero. Nor does this rulemaking implicate any of the factors identified in section 2(a) of E.O. 14219, *Ensuring Lawful*

Governance and Implementing the President’s “Department of Government Efficiency” Deregulatory Initiative, indicative that a regulation is “unlawful . . . [or] that undermine[s] the national interest.”

D. Energy-Related Executive Orders 13211, 14154, and 14156

The President has declared in E.O. 14156, *Declaring a National Energy Emergency*, a National emergency to address America’s inadequate energy development production, transportation, refining, and generation capacity. Similarly, E.O. 14154, *Unleashing American Energy*, asserts a Federal policy to unleash American energy by ensuring access to abundant supplies of reliable, affordable energy from (inter alia) the removal of “undue burden[s]” on the identification, development, or use of domestic energy resources such as PHMSA-jurisdictional gases and hazardous liquids. PHMSA preliminarily finds this NPRM is consistent with each of E.O. 14156 and E.O. 14154. The NPRM will give affected pipeline operators relief from submitting detailed reports for relatively minor releases.

However, this NPRM is not a “significant energy action” under E.O. 13211, *Actions Concerning Regulations That Significantly Affect Energy Supply, Distribution, or Use*, which requires Federal agencies to prepare a Statement of Energy Effects for any “significant energy action.” Because this NPRM is not a significant action under E.O. 12866, it will not have a significant adverse effect on supply, distribution, or energy use; OIRA has therefore not designated this NPRM as a significant energy action.

E. Executive Order 13132: Federalism

PHMSA analyzed this NPRM in accordance with the principles and criteria contained in E.O. 13132, *Federalism*, and the Presidential Memorandum (“Preemption”) published in the **Federal Register** on May 22, 2009. E.O. 13132 requires agencies to assure meaningful and timely input by State and local officials in the development of regulatory policies that may have “substantial direct effects on the States, on the relationship between the National Government and the States, or on the distribution of power and responsibilities among the various levels of government.”

Though the NPRM may (when finalized) operate to preempt some State requirements, it would not impose any regulation that has substantial direct effects on the States, the relationship

between the National Government and the States, or the distribution of power and responsibilities among the various levels of government. Section 60104(c) of the Federal Pipeline Safety Laws prohibits certain State safety regulation of interstate pipelines. Under the Federal Pipeline Safety Laws, States that have submitted a current certification under section 60105(a) can augment Federal pipeline safety requirements for intrastate pipelines regulated by PHMSA but may not approve safety requirements less stringent than those required by Federal law. A State may also regulate an intrastate pipeline facility that PHMSA does not regulate. The preemptive effect of the regulatory amendments in this NPRM is limited to the minimum level necessary to achieve the objectives of the Federal Pipeline Safety Laws. Therefore, the consultation and funding requirements of E.O. 13132 do not apply.

F. Regulatory Flexibility Act

The Regulatory Flexibility Act (RFA, 5 U.S.C. 601 *et seq.*) requires Federal agencies to conduct an Initial Regulatory Flexibility Analysis (IRFA) for a NPRM subject to notice-and-comment rulemaking unless the agency head certifies that the NPRM in the rulemaking will not have a significant economic impact on a substantial number of small entities. E.O. 13272, *Proper Consideration of Small Entities in Agency Rulemaking*, obliges agencies to establish procedures promoting compliance with the RFA. DOT posts its implementing guidance on a dedicated web page.⁸

This NPRM was developed in accordance with E.O. 13272 and DOT implementing guidance to ensure compliance with the RFA. The NPRM is expected to reduce regulatory burdens by raising the monetary threshold for incidents to qualify as reportable, and by clarifying which costs contribute to that threshold for operators who would otherwise be unaware. Further, the changes proposed here are not expected to impose additional burdens on any operator. Therefore, PHMSA certifies this proposed rule (if finalized) will not have a significant impact on a substantial number of small entities.

G. Unfunded Mandates Reform Act of 1995

The Unfunded Mandates Reform Act (UMRA, 2 U.S.C. 1501 *et seq.*) requires agencies to assess the effects of Federal regulatory actions on State, local, and

Tribal governments, and the private sector. For any proposed or final rule that includes a Federal mandate that may result in the expenditure by State, local, and Tribal governments, in the aggregate of \$100 million or more in 1996 dollars (\$203 million in 2024 dollars) in any given year, the agency must prepare, amongst other things, a written statement that qualitatively and quantitatively assesses the costs and benefits of the Federal mandate.

This NPRM does not impose unfunded mandates under UMRA. PHMSA does not expect the NPRM will result in costs of \$100 million or more (in 1996 dollars) per year for either State, local, or Tribal governments, or to the private sector.

H. National Environmental Policy Act

The National Environmental Policy Act (NEPA, 42 U.S.C. 4321 *et seq.*) requires that Federal agencies assess and consider the impact of major Federal actions on the human and natural environment.

PHMSA analyzed this NPRM in accordance with NEPA and issues this draft Finding of No Significant Impact (FONSI). PHMSA maintains that under the proposed accident definition, consequential releases remain reportable. The other criteria for fire or explosion, release of five gallons or more (or five barrels (210 gallons) for certain contained releases), and injury resulting in death or hospitalization remain reportable regardless of a change in the property damage definition. In addition, because changing the reportability threshold does not change the way operators respond to incidents, the environmental impacts do not change. Therefore, PHMSA has preliminarily determined that the rulemaking will not adversely affect safety and will not significantly affect the quality of the human and natural environment. The public is invited to comment on the impact of the proposed action.

I. Executive Order 13175

PHMSA analyzed this NPRM according to the principles and criteria in E.O. 13175, *Consultation and Coordination with Indian Tribal Governments*, and DOT Order 5301.1A (“Department of Transportation Tribal Consultation Policies and Procedures”). E.O. 13175 requires agencies to assure meaningful and timely input from Tribal government representatives in the development of rules that significantly or uniquely affect Tribal communities by imposing “substantial direct compliance costs” or “substantial direct effects” on such communities or the

relationship or distribution of power between the Federal Government and Tribes.

PHMSA assessed the impact of the NPRM and determined that it will not significantly or uniquely affect Tribal communities or Indian Tribal governments. The rulemaking’s regulatory amendments have a broad, national scope; therefore, this NPRM will not significantly or uniquely affect Tribal communities, much less impose substantial compliance costs on Native American Tribal governments or mandate Tribal action. For these reasons, PHMSA has concluded that the funding and consultation requirements of E.O. 13175 and DOT Order 5301.1A do not apply.

J. Paperwork Reduction Act

The Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*) and its implementing regulations at 5 CFR 1320.8(d) requires that PHMSA provide interested members of the public and affected agencies with an opportunity to comment on information collection and recordkeeping requests.

PHMSA will submit an information collection revision request to OMB for approval based on the requirements in this NPRM. The information collection is contained in the Federal Pipeline Safety Regulations. The following information is provided for each information collection: (1) Title of the information collection; (2) OMB control number; (3) Current expiration date; (4) Type of request; (5) Abstract of the information collection activity; (6) Description of affected public; (7) Estimate of total annual reporting and recordkeeping burden; and (8) Frequency of collection. The information collection burdens for the following information collections are estimated to be revised as follows:

1. *Title:* Transportation of Hazardous Liquids by Pipeline: Record keeping and Accident Reporting.

OMB Control Number: 2137–0047.

Current Expiration Date: 04/30/2026.

Abstract: This information collection covers general recordkeeping and the collection of information from hazardous liquid pipeline operators for accident reports. PHMSA estimates that, due to the revised monetary damage threshold for reporting accidents, operators will submit five fewer hazardous liquid accident reports per year. Therefore, PHMSA expects to eliminate five responses and 60 hours from this information collection per year as a result of the provisions in the rule.

Affected Public: All hazardous liquid pipeline operators.

⁸ DOT, *Rulemaking Requirements Concerning Small Entities*, <https://www.transportation.gov/regulations/rulemaking-requirements-concerning-small-entities>.

Annual Reporting and Recordkeeping Burden:

Total Annual Responses: 1,641 (1,646 – 5).

Total Annual Burden Hours: 53,717 (53,777 – 60).

Frequency of Collection: On Occasion.

K. Executive Order 13609 and International Trade Analysis

E.O. 13609, *Promoting International Regulatory Cooperation*, requires agencies to consider whether the impacts associated with significant variations between domestic and international regulatory approaches are unnecessary or may impair the ability of American business to export and compete internationally. In meeting shared challenges involving health, safety, labor, security, environmental, and other issues, international regulatory cooperation can identify approaches that are at least as protective as those that are or would be adopted in the absence of such cooperation. International regulatory cooperation can also reduce, eliminate, or prevent unnecessary differences in regulatory requirements.

Similarly, the Trade Agreements Act of 1979 (Pub. L. 96–39), as amended by the Uruguay Round Agreements Act (Pub. L. 103–465), prohibits Federal agencies from establishing any standards or engaging in related activities that create unnecessary obstacles to the foreign commerce of the United States. For purposes of these requirements, Federal agencies may participate in the establishment of international standards, so long as the standards have a legitimate domestic objective, such as providing for safety, and do not operate to exclude imports that meet this objective. The statute also requires consideration of international standards and, where appropriate, that they be the basis for U.S. standards.

PHMSA engages with international standards setting bodies to protect the safety of the American public. PHMSA has assessed the effects of the NPRM and has determined that its regulatory amendments will not cause unnecessary obstacles to foreign trade.

L. Cybersecurity and Executive Order 14028

E.O. 14028, *Improving the Nation's Cybersecurity*, directs the Federal Government to improve its efforts to identify, deter, and respond to “persistent and increasingly sophisticated malicious cyber campaigns.” PHMSA has considered the effects of the NPRM and has determined

that its regulatory amendments would not materially affect the cybersecurity risk profile for pipeline facilities.

List of Subjects

49 CFR Part 191

Natural gas, Pipeline safety, Reporting and recordkeeping requirements.

49 CFR Part 195

Pipeline safety, Reporting and recordkeeping requirements.

In consideration of the foregoing, PHMSA proposes to amend 49 CFR parts 191 and 195 as follows:

PART 191—TRANSPORTATION OF NATURAL AND OTHER GAS BY PIPELINE; ANNUAL, INCIDENT, AND OTHER REPORTING

- 1. The authority citation for Part 191 continues to read as follows:

Authority: 30 U.S.C. 185(w)(3), 49 U.S.C. 5121, 60101 *et seq.*, and 49 CFR 1.97.

- 2. In § 191.3, revise paragraph (1)(ii) in the definition of “Incident” to read as follows:

§ 191.3 Definitions.

* * * * *

Incident * * *

(1) * * *

(ii) Estimated property damage of \$149,700 or more, including loss to the operator and others, or both, but excluding each of the cost of gas lost, the cost to acquire permits, and the cost to remove and replace non-operator infrastructure that was not damaged by the release. For adjustments for inflation observed in calendar year 2026 onwards, changes to the reporting threshold will be posted on PHMSA’s website. These changes will be determined in accordance with the procedures in Appendix A to Part 191.

* * * * *

PART 195—TRANSPORTATION OF HAZARDOUS LIQUIDS BY PIPELINE

- 3. The authority citation for Part 195 continues to read as follows:

Authority: 30 U.S.C. 185(w)(3), 49 U.S.C. 5121, 60101 *et seq.*, and 49 CFR 1.97.

- 4. Revise § 195.50(e) to read as follows:

§ 195.50 Reporting Accidents.

* * * * *

(e) Estimated property damage, including cost of clean-up and recovery and damage to the property of the operator or others—but excluding each of the cost of lost product, the cost to

acquire permits, and the cost to remove and replace non-operator infrastructure that was not damaged by the release—exceeding \$149,700. For adjustments for inflation observed in calendar year 2026 onwards, changes to the reporting threshold will be posted on PHMSA’s website. These changes will be determined in accordance with the procedures in Appendix D to Part 195.

- 5. Revise § 195.52(a)(3) to read as follows:

§ 195.52 Immediate notice of certain accidents.

(a) * * *

(3) Caused estimated property damage meeting the criteria in § 195.50(e).

* * * * *

- 6. In Part 195, add Appendix D to read as follows:

Appendix D to Part 195—Procedure for Determining Reporting Threshold

Each year after calendar year 2026, the Administrator will publish a notice on PHMSA’s website announcing the updates to property damage threshold criteria for accident reporting, National Response Center (NRC) notification, and construction notifications that will take effect on July 1 of that year and will remain in effect until June 30 of the next year. The reporting threshold used in this Part shall be determined in accordance with the following formula:

$$T_r = T_p \times \frac{PI_r}{PI_p}$$

Where:

T_r is the revised reporting threshold,
 T_p is the previous reporting threshold,
 PI_r is the average price index published by the Bureau of Labor Statistics each month during the most recent complete calendar year. PHMSA will use the Consumer Price Indices for all Urban Consumers for accident reporting and NRC notifications and the Producer Price Index for construction materials for OPID construction notifications.

PI_p is the average price index for the calendar year used to establish the previous property damage criteria for accident reporting, NRC notification, or construction notification, as appropriate.

Issued in Washington, DC, on April 22, 2026, under the authority delegated in 49 CFR 1.97.

Paul J. Roberti,
Administrator.

[FR Doc. 2026–08079 Filed 4–23–26; 8:45 am]

BILLING CODE 4910–60–P

DEPARTMENT OF TRANSPORTATION

Pipeline and Hazardous Materials
Safety Administration

49 CFR Part 192

[Docket No. PHMSA–2026–1549]

RIN 2137–AG53

Pipeline Safety: Removing
Unnecessary Provision for Material
Properties Verification During MAOP
Reconfirmation

AGENCY: Pipeline and Hazardous Materials Safety Administration (PHMSA), Department of Transportation (DOT).

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: PHMSA is proposing to remove an unnecessary provision from the maximum allowable operating pressure requirements for testing pipe materials cut out from test manifold sites on gas transmission lines.

DATES: Comments must be received on or before June 23, 2026.

ADDRESSES: You may submit comments identified by the Docket Number PHMSA–2026–1549 using any of the following methods:

E-Gov Web: <https://www.regulations.gov>. This site allows the public to enter comments on any Federal Register notice issued by any agency. Follow the online instructions for submitting comments.

Mail: Docket Management System: U.S. Department of Transportation, 1200 New Jersey Avenue SE, West Building Ground Floor, Room W12–140, Washington, DC 20590–0001.

Hand Delivery: U.S. DOT Docket Management System: 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.

For commenting instructions and additional information about commenting, see **SUPPLEMENTARY INFORMATION**.

FOR FURTHER INFORMATION CONTACT: Robert Jagger, Senior Transportation Specialist, by telephone at 202–557–6765 or by email at robert.jagger@dot.gov.

SUPPLEMENTARY INFORMATION:**I. General Discussion**

PHMSA is proposing to clarify the requirements in 49 CFR 192.624 for reconfirming the maximum allowable operating pressure (MAOP) of gas

transmission lines. The clarification would acknowledge that an operator does not need to test the pipe materials cut out from the test manifold sites. Section 192.624(c)(1)(iii) currently states, in relevant part, that “if any of the records required by . . . this section are not documented in [traceable, verifiable, and complete (TVC)] records, the operator must obtain the missing records in accordance with § 192.607. An operator must test the pipe materials cut out from the test manifold sites at the time the pressure test is conducted. If there is a failure during the pressure test, the operator must test any removed pipe from the pressure test failure in accordance with § 192.607.”

According to comments submitted by the Interstate Natural Gas Association of America (INGAA)¹ in response to the DOT request for information,² some operators and regulators believe that § 192.624(c)(1)(iii) requires operators to perform materials verification testing every time a pressure test is performed as a part of MAOP reconfirmation. This was not PHMSA’s intent. PHMSA only intended operators to perform material verification testing in those circumstances if the required records were not available. PHMSA never intended to require such testing if those records were already available.

For this reason, PHMSA is proposing to revise § 192.624(c)(1)(iii) by removing the unnecessary requirement for operators to perform material verification tests of pipe cut out during the course of a pressure test when performing MAOP reconfirmation in accordance with § 192.624, and the related testing requirement for pipe that fails its pressure test. Section 192.624 already requires operators to obtain any necessary missing material records using the process in § 192.607, making redundant any requirements for operators to test specified pipe. Further, operators are required under § 192.617 to investigate and analyze any pipe failures to determine the cause and contributing factors of the failure and minimizing the possibility of a recurrence, which makes the language at § 192.624(c)(1)(iii) redundant in connection with pipe removed for testing following a pressure test failure.

Commenting Instructions: Please include the docket number PHMSA–

2026–1549 at the beginning of your comments. If you submit your comments by mail, submit two copies. If you wish to receive confirmation that PHMSA received your comments, include a self-addressed stamped postcard. Internet users may submit comments at <https://www.regulations.gov>.

Note: Comments are posted without changes or edits to <https://www.regulations.gov>, including any personal information provided. There is a privacy statement published on <https://www.regulations.gov>.

Privacy Act: In accordance with 5 U.S.C. § 553(c), DOT solicits comments from the public to inform its rulemaking process. DOT posts these comments, without edit, including any personal information the commenter provides, to <https://www.regulations.gov>, as described in the system of records notice (DOT/ALL–14 FDMS), which can be reviewed at <https://www.dot.gov/privacy>.

Confidential Business Information: Confidential Business Information (CBI) is commercial or financial information that is both customarily and actually treated as private by its owner. Under the Freedom of Information Act (FOIA, 5 U.S.C. § 552), CBI is exempt from public disclosure. It is important that you clearly designate the comments submitted as CBI if: your comments responsive to this document contain commercial or financial information that is customarily treated as private; you actually treat such information as private; and your comment is relevant or responsive to this notice. Pursuant to 49 CFR 190.343, you may ask PHMSA to provide confidential treatment to information you give to the agency by taking the following steps: (1) mark each page of the original document submission containing CBI as “Confidential;” (2) send PHMSA, along with the original document, a second copy of the original document with the CBI deleted; and (3) explain why the information that you are submitting is CBI. Submissions containing CBI should be sent to Robert Jagger, Office of Pipeline Safety Standards and Rulemaking Division, Pipeline and Hazardous Materials Safety Administration (PHMSA), 2nd Floor, 1200 New Jersey Avenue SE, Washington, DC 20590–0001, or by email at robert.jagger@dot.gov. Any materials PHMSA receives that is not specifically designated as CBI will be placed in the public docket.

Docket: For access to the docket to read background documents or comments received, go to <http://>

¹ INGAA, “Re: Comments on Ensuring Lawful Regulation; Reducing Regulation and Controlling Regulatory Costs” at 25–26 (May 5, 2025), <https://www.regulations.gov/comment/DOT-OST-2025-0026-0872>.

² Office of the Secretary, DOT, *Request for Information: Ensuring Lawful Regulation; Reducing Regulation and Controlling Regulatory Costs*, 90 FR 14593 (Apr. 3, 2025).

www.regulations.gov. Follow the online instructions for accessing the docket. Alternatively, you may review the documents in person at the street address listed above.

II. Regulatory Analysis and Notices

A. Legal Authority

This proposed rule is published under the authority of the Secretary of Transportation set forth in the Federal Pipeline Safety Laws (49 U.S.C. 60101 *et seq.*) and delegated to the PHMSA Administrator pursuant to 49 CFR 1.97.

B. Statutory Requirement and Executive Order 12866

The Pipeline Safety Act (49 U.S.C. 60102(b)) requires that PHMSA prepare a risk assessment that identifies the costs and benefits associated with a proposed regulatory change. E.O. 12866, *Regulatory Planning and Review*, as implemented by DOT Order 2100.6B (“Policies and Procedures for Rulemaking”) and DOT Order 2100.7 (“Ensuring Reliance upon Sound Economic Analysis in Department of Transportation Policies, Programs, and Activities”), requires agencies to regulate in the “most cost-effective manner,” to make a “reasoned determination that the benefits of the intended regulation justify its costs,” and to develop regulations that “impose the least burden on society.” In arriving at those conclusions, E.O. 12866 requires that agencies should consider “both quantifiable measures . . . and qualitative measures of costs and benefits that are difficult to quantify” and “maximize net benefits . . . unless a statute requires another regulatory approach.” E.O. 12866 also requires that “agencies should assess all costs and benefits of available regulatory alternatives, including the alternative of not regulating.” DOT Order 2100.6B directs that PHMSA and other Operating Administrations must generally choose the “least costly regulatory alternative that achieves the relevant objectives” unless required by law or compelling safety need. DOT Order 2100.6B also specifies that regulations should generally “not be issued unless their benefits are expected to exceed their costs.” DOT Order 2100.7 requires that “all rulemaking activities shall be based on sound economic principles and analysis supported by rigorous cost-benefit requirement.”

E.O. 12866 and DOT Order 2100.6B also require that PHMSA submit “significant regulatory actions” to the Office of Information and Regulatory Affairs (OIRA) within the Executive Office of the President’s Office of

Management and Budget (OMB) for review. This NPRM is a not significant regulatory action pursuant to E.O. 12866; OMB also has not designated this rule as a “major rule” as defined by the Congressional Review Act (5 U.S.C. 801 *et seq.*).

PHMSA has complied with the procedural and analytical requirements in E.O. 12866 as implemented by DOT Order 2100.6B and DOT Order 2100.7, as well as the requirements in 49 U.S.C. 60102(b), and preliminarily determined that this proposed rule will result in some cost savings by reducing regulatory burdens and regulatory uncertainty for gas pipeline facility operators by clarifying material verification testing requirements in conjunction with MAOP reconfirmation requirements, and avoiding unnecessary pipe material tests to reconfirm MAOP. The cost savings of this rulemaking could not be quantified because PHMSA does not have information on how many operators have been doing pipe material tests while they have TVC records due to misunderstanding of the current requirement. However, PHMSA subject matter experts believe that it could take an engineer eight hours to complete a pipe material test. PHMSA expects those potential cost savings from avoided testing may also result in reduced costs for the public to whom pipeline operators generally transfer a portion of their compliance costs. PHMSA also preliminarily determined that the proposed rule will not have any adverse safety impacts since it only avoids duplicative pipe material tests.

C. Executive Orders 14192 and 14219

This proposed rule, if finalized as proposed, is expected to be a deregulatory action pursuant to E.O. 14192, *Unleashing Prosperity Through Deregulation*. PHMSA estimates that the total costs of the NPRM on the regulated community will be less than zero. Nor does this rulemaking implicate any of the factors identified in section 2(a) of E.O. 14219, *Ensuring Lawful Governance and Implementing the President’s ‘Department of Government Efficiency’ Deregulatory Initiative*, indicative that a regulation is “unlawful . . . [or] that undermine[s] the national interest.”

D. Energy-Related Executive Orders 13211, 14154, and 14156

The President has declared in E.O. 14156, *Declaring a National Energy Emergency*, a national emergency to address America’s inadequate energy development production, transportation, refining, and generation capacity. Similarly, E.O. 14154,

Unleashing American Energy, asserts a Federal policy to unleash American energy by ensuring access to abundant supplies of reliable, affordable energy from (inter alia) the removal of “undue burden[s]” on the identification, development, or use of domestic energy resources such as PHMSA-jurisdictional gases and hazardous liquids. PHMSA preliminarily finds this proposed rule is consistent with each of E.O. 14156 and E.O. 14154. The proposed rule will give affected pipeline operators relief from performing unnecessary and redundant material verification testing when performing MAOP confirmation pressure tests. PHMSA therefore expects the regulatory amendments in this proposed rule will in turn improve pipeline operators’ ability to provide abundant, reliable, affordable natural gas in response to residential, commercial, and industrial demand.

However, this proposed rule is not a “significant energy action” under E.O. 13211, *Actions Concerning Regulations That Significantly Affect Energy Supply, Distribution, or Use*, which requires Federal agencies to prepare a Statement of Energy Effects for any “significant energy action.” Because this proposed rule is not a significant action under E.O. 12866, it will not have a significant adverse effect on supply, distribution, or energy use; OIRA has therefore not designated this proposed rule as a significant energy action.

E. Executive Order 13132: Federalism

PHMSA analyzed this proposed rule in accordance with the principles and criteria contained in E.O. 13132, *Federalism*, and the Presidential Memorandum (“Preemption”) published in the **Federal Register** on May 22, 2009. E.O. 13132 requires agencies to assure meaningful and timely input by State and local officials in the development of regulatory policies that may have “substantial direct effects on the States, on the relationship between the National Government and the States, or on the distribution of power and responsibilities among the various levels of government.”

While the proposed rule may (when finalized) operate to preempt some State requirements, it would not impose any regulation that has substantial direct effects on the States, the relationship between the National Government and the States, or the distribution of power and responsibilities among the various levels of government. Section 60104(c) of the Federal Pipeline Safety Laws prohibits certain State safety regulation of interstate pipelines. Under the Federal Pipeline Safety Laws, States that

have submitted a current certification under section 60105(a) can augment Federal pipeline safety requirements for intrastate pipelines regulated by PHMSA but may not approve safety requirements less stringent than those required by Federal law. A State may also regulate an intrastate pipeline facility that PHMSA does not regulate. The preemptive effect of the regulatory amendments in this proposed rule is limited to the minimum level necessary to achieve the objectives of the Federal Pipeline Safety Laws. Therefore, the consultation and funding requirements of E.O. 13132 do not apply.

F. Regulatory Flexibility Act

The Regulatory Flexibility Act (RFA, 5 U.S.C. § 601 *et seq.*) requires Federal agencies to conduct an Initial Regulatory Flexibility Analysis (IRFA) for a proposed rule subject to notice-and-comment rulemaking unless the agency head certifies that the proposed rule in the rulemaking will not have a significant economic impact on a substantial number of small entities. E.O. 13272, *Proper Consideration of Small Entities in Agency Rulemaking*, obliges agencies to establish procedures promoting compliance with the RFA. DOT posts its implementing guidance on a dedicated web page.³ This proposed rule was developed in accordance with E.O. 13272 and DOT implementing guidance to ensure compliance with the RFA. The proposed rule is expected to reduce regulatory burdens by clarifying that, when performing a pressure test for MAOP reconfirmation in accordance with § 192.624, operators are only required to perform materials verification tests in accordance with § 192.607 if the operator does not have TVC material property records for the pipeline segment. Further, the changes proposed here are not expected to impose additional burdens on any operator. Therefore, PHMSA certifies the proposed rule (if finalized) will not have a significant impact on a substantial number of small entities.

G. Unfunded Mandates Reform Act of 1995

The Unfunded Mandates Reform Act (UMRA, 2 U.S.C. § 1501 *et seq.*) requires agencies to assess the effects of Federal regulatory actions on State, local, and Tribal governments, and the private sector. For any proposed or final rule that includes a Federal mandate that

may result in the expenditure by State, local, and Tribal governments, in the aggregate of \$100 million or more in 1996 dollars (\$203 million in 2024 dollars) in any given year, the agency must prepare, amongst other things, a written statement that qualitatively and quantitatively assesses the costs and benefits of the Federal mandate.

This proposed rule does not impose unfunded mandates under UMRA. PHMSA does not expect the proposed rule will result in costs of \$100 million or more (in 1996 dollars) per year for either State, local, or Tribal governments, or to the private sector.

H. National Environmental Policy Act

The National Environmental Policy Act (NEPA, 42 U.S.C. § 4321 *et seq.*) requires that Federal agencies assess and consider the impact of major Federal actions on the human and natural environment.

PHMSA analyzed this proposed rule in accordance with NEPA and issues this draft Finding of No Significant Impact (FONSI) because it has preliminarily determined that the rulemaking will not adversely affect safety and will not significantly affect the quality of the human and natural environment. The public is invited to comment on the impact of the proposed action.

I. Executive Order 13175

PHMSA analyzed this proposed rule according to the principles and criteria in E.O. 13175, *Consultation and Coordination with Indian Tribal Governments*, and DOT Order 5301.1A (“Department of Transportation Tribal Consultation Policies and Procedures”). E.O. 13175 requires agencies to assure meaningful and timely input from Tribal government representatives in the development of rules that significantly or uniquely affect Tribal communities by imposing “substantial direct compliance costs” or “substantial direct effects” on such communities or the relationship or distribution of power between the Federal Government and Tribes.

PHMSA assessed the impact of the proposed rule and determined that it will not significantly or uniquely affect Tribal communities or Indian Tribal governments. The rulemaking’s regulatory amendments have a broad, national scope; therefore, this proposed rule will not significantly or uniquely affect Tribal communities, much less impose substantial compliance costs on Native American Tribal governments or mandate Tribal action. For these reasons, PHMSA has concluded that the funding and consultation requirements

of E.O. 13175 and DOT Order 5301.1A do not apply.

J. Paperwork Reduction Act

The Paperwork Reduction Act (44 U.S.C. § 3501 *et seq.*) and its implementing regulations at 5 CFR 1320.8(d) requires that PHMSA provide interested members of the public and affected agencies with an opportunity to comment on information collection and recordkeeping requests. This rulemaking will not create, amend, or rescind any existing information collections.

K. Executive Order 13609 and International Trade Analysis

E.O. 13609, *Promoting International Regulatory Cooperation*, requires agencies to consider whether the impacts associated with significant variations between domestic and international regulatory approaches are unnecessary or may impair the ability of American business to export and compete internationally. In meeting shared challenges involving health, safety, labor, security, environmental, and other issues, international regulatory cooperation can identify approaches that are at least as protective as those that are or would be adopted in the absence of such cooperation. International regulatory cooperation can also reduce, eliminate, or prevent unnecessary differences in regulatory requirements.

Similarly, the Trade Agreements Act of 1979 (Pub. L. 96–39), as amended by the Uruguay Round Agreements Act (Pub. L. 103–465), prohibits Federal agencies from establishing any standards or engaging in related activities that create unnecessary obstacles to the foreign commerce of the United States. For purposes of these requirements, Federal agencies may participate in the establishment of international standards, so long as the standards have a legitimate domestic objective, such as providing for safety, and do not operate to exclude imports that meet this objective. The statute also requires consideration of international standards and, where appropriate, that they be the basis for U.S. standards.

PHMSA engages with international standards setting bodies to protect the safety of the American public. PHMSA has assessed the effects of the proposed rule and has determined that its proposed regulatory amendments will not cause unnecessary obstacles to foreign trade.

³ DOT, *Rulemaking Requirements Concerning Small Entities*, <https://www.transportation.gov/regulations/rulemaking-requirements-concerning-small-entities>.

L. Cybersecurity and Executive Order 14028

E.O. 14028, *Improving the Nation's Cybersecurity*, directs the Federal Government to improve its efforts to identify, to deter, and to respond to “persistent and increasingly sophisticated malicious cyber campaigns.” PHMSA has considered the effects of the proposed rule and has determined that its proposed regulatory amendments would not materially affect the cybersecurity risk profile for pipeline facilities.

List of Subjects in 49 CFR Part 192

Pipeline safety, Materials verification, Maximum allowable operating pressure reconfirmation, Pressure test.

For the reasons set forth above, PHMSA proposes to amend 49 CFR part 192 as follows:

PART 192—TRANSPORTATION OF NATURAL AND OTHER GAS BY PIPELINE: MINIMUM FEDERAL SAFETY STANDARDS

■ 1. The authority citation for 49 CFR part 192 continues to read as follows:

Authority: 30 U.S.C. 185(w)(3), 49 U.S.C. 5103, 60101 *et seq.*, and 49 CFR 1.97.

■ 2. In § 192.624, revise paragraph (c)(1)(iii) to read as follows:

§ 192.624 Maximum allowable operating pressure reconfirmation: Onshore steel transmission pipelines.

* * * * *

(c) * * *

(1) * * *

(iii) If the material properties required by paragraph (c)(1)(ii) of this section are not documented in traceable, verifiable, and complete records, an operator must obtain the missing records in accordance with § 192.607.

* * * * *

Issued in Washington, DC, on April 22, 2026, under the authority delegated in 49 CFR 1.97.

Paul J. Roberti,
Administrator.

[FR Doc. 2026–08067 Filed 4–23–26; 8:45 am]

BILLING CODE 4910–60–P

DEPARTMENT OF TRANSPORTATION

Pipeline and Hazardous Materials Safety Administration

49 CFR Part 192

[Docket No. PHMSA–2026–1552]

RIN 2137–AG56

Pipeline Safety: Eliminating Limitations on Welders and Welding Operators

AGENCY: Pipeline and Hazardous Materials Safety Administration (PHMSA), Department of Transportation (DOT).

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: This NPRM proposes to remove the exclusion for welders or welding operators qualified by nondestructive testing from welding on compressor station pipe and components.

DATES: Comments must be received on or before June 23, 2026.

ADDRESSES: You may submit comments identified by the Docket Number PHMSA–2026–1552 using any of the following methods:

E-Gov Web: <https://www.regulations.gov>. This site allows the public to enter comments on any **Federal Register** notice issued by any agency. Follow the online instructions for submitting comments.

Mail: Docket Management System: U.S. Department of Transportation, 1200 New Jersey Avenue SE, West Building Ground Floor, Room W12–140, Washington, DC 20590–0001.

Hand Delivery: U.S. DOT Docket Management System: 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.

For commenting instructions and additional information about commenting, see **SUPPLEMENTARY INFORMATION**.

FOR FURTHER INFORMATION CONTACT: Brooks Tate, Transportation Specialist, 1200 New Jersey Avenue SE, Washington, DC 20590, 202–281–5413, brooks.tate@dot.gov.

SUPPLEMENTARY INFORMATION:

I. General Discussion

PHMSA is proposing to eliminate the current limitation on welding of compressor station pipe and components to allow welders who have been qualified through nondestructive

testing to perform those tasks. Section 192.229(a) currently states that “[n]o welder or welding operator whose qualification is based on nondestructive testing may weld compressor station pipe and components.” In response to DOT’s request for information (90 FR 14593 (Apr. 3, 2025)), Williams Companies, Inc. (Williams) requested that PHMSA remove § 192.229(a), stating that limitation “is unnecessary for welders working on compressor stations to have different qualification options than pipelines and process facilities. Both API 1104 and ASME Section IX address limitations on qualifications by nondestructive testing.”¹

PHMSA agrees with Williams. The process of qualifying a welder shows the welder has the necessary knowledge, skills, and abilities to follow a welding procedure and produce a weld that does not contain defects. Section 192.229(a) has not been changed since the enactment of Part 192 (35 FR 13248, Aug. 19, 1970)). Advancements in radiographic and ultrasonic technology have occurred over the past 55 years that have made the restriction contained in § 192.229(a) obsolete. In the last 55 years, pipeline radiographic inspection has improved with better film, automatic developers, and the advent of digital radiography in the early 2000s. Ultrasonic weld inspection has advanced from fixed-angle probes manipulated manually around a weld to phased array, multi-beam probes completing a multi-angle inspection of a weld in a single pass around. The visualization of ultrasonic weld defects has also progressed from a graph on a cathode ray tube to a colorized 2D image of a weld cross section. In addition, time-of-flight diffraction ultrasonic technology developed in the early 2000s has become a fast and reliable method for crack detection and weld inspection. Therefore, PHMSA now believes the nondestructive technology in use today is equivalent to destructive testing for the qualification of welders.

For these reasons, PHMSA is proposing to revise § 192.229 by removing that exclusion and allowing welders or welding operators whose qualifications are based on nondestructive testing to weld on compressor station pipe and components.

Commenting Instructions: Please include the docket number PHMSA–2026–1552 at the beginning of your

¹ Williams Companies, Inc. “Comments on Ensuring Lawful Regulation; Reducing Regulation and Controlling Regulatory Costs” (May 4, 2025), <https://www.regulations.gov/comment/DOT-OST-2025-0026-0852>.

comments. If you submit your comments by mail, submit two copies. If you wish to receive confirmation that PHMSA received your comments, include a self-addressed stamped postcard. Internet users may submit comments at <https://www.regulations.gov>.

Note: Comments are posted without changes or edits to <https://www.regulations.gov>, including any personal information provided. There is a privacy statement published on <https://www.regulations.gov>.

Privacy Act: In accordance with 5 U.S.C. 553(c), DOT solicits comments from the public to inform its rulemaking process. DOT posts these comments, without edit, including any personal information the commenter provides, to <https://www.regulations.gov>, as described in the system of records notice (DOT/ALL-14 FDMS), which can be reviewed at <https://www.dot.gov/privacy>.

Confidential Business Information: Confidential Business Information (CBI) is commercial or financial information that is both customarily and actually treated as private by its owner. Under the Freedom of Information Act (FOIA, 5 U.S.C. 552), CBI is exempt from public disclosure. It is important that you clearly designate the comments submitted as CBI if: your comments responsive to this document contain commercial or financial information that is customarily treated as private; you actually treat such information as private; and your comment is relevant or responsive to this notice. Pursuant to 49 CFR 190.343, you may ask PHMSA to provide confidential treatment to information you give to the agency by taking the following steps: (1) mark each page of the original document submission containing CBI as “Confidential;” (2) send PHMSA, along with the original document, a second copy of the original document with the CBI deleted; and (3) explain why the information that you are submitting is CBI. Submissions containing CBI should be sent to Brooks Tate, Office of Pipeline Safety Standards and Rulemaking Division, Pipeline and Hazardous Materials Safety Administration (PHMSA), 2nd Floor, 1200 New Jersey Avenue SE, Washington, DC 20590-0001, or by email at brooks.tate@dot.gov. Any materials PHMSA receives that is not specifically designated as CBI will be placed in the public docket.

Docket: For access to the docket to read background documents or comments received, go to <http://www.regulations.gov>. Follow the online

instructions for accessing the docket. Alternatively, you may review the documents in person at the street address listed above.

II. Regulatory Analysis and Notices

A. Legal Authority

This proposed rule is published under the authority of the Secretary of Transportation set forth in the Federal Pipeline Safety Laws (49 U.S.C. 60101 *et seq.*) and delegated to the PHMSA Administrator pursuant to 49 CFR 1.97.

B. Statutory Requirement and Executive Order 12866

The Federal Pipeline Safety Laws (49 U.S.C. 60102(b)) require that PHMSA prepare a risk assessment that identifies the costs and benefits associated with a proposed regulatory change. E.O. 12866, *Regulatory Planning and Review*, as implemented by DOT Order 2100.6B (“Policies and Procedures for Rulemaking”) and DOT Order 2100.7 (“Ensuring Reliance upon Sound Economic Analysis in Department of Transportation Policies, Programs, and Activities”), requires agencies to regulate in the “most cost-effective manner,” to make a “reasoned determination that the benefits of the intended regulation justify its costs,” and to develop regulations that “impose the least burden on society.” In arriving at those conclusions, E.O. 12866 requires that agencies should consider “both quantifiable measures . . . and qualitative measures of costs and benefits that are difficult to quantify” and “maximize net benefits . . . unless a statute requires another regulatory approach.” E.O. 12866 also requires that “agencies should assess all costs and benefits of available regulatory alternatives, including the alternative of not regulating.” DOT Order 2100.6B directs that PHMSA and other Operating Administrations must generally choose the “least costly regulatory alternative that achieves the relevant objectives” unless required by law or compelling safety need. DOT Order 2100.6B also specifies that regulations should generally “not be issued unless their benefits are expected to exceed their costs” unless required by law or compelling safety need. DOT Order 2100.7 requires that “all rulemaking activities shall be based on sound economic principles and analysis supported by rigorous cost-benefit requirement.”

E.O. 12866 and DOT Order 2100.6B also require that PHMSA submit “significant regulatory actions” to the Office of Information and Regulatory Affairs (OIRA) within the Executive

Office of the President’s Office of Management and Budget (OMB) for review. This NPRM is a not significant regulatory action pursuant to E.O. 12866; OMB also has not designated this rule as a “major rule” as defined by the Congressional Review Act (5 U.S.C. 801 *et seq.*).

PHMSA has complied with the procedural and analytical requirements in E.O. 12866 as implemented by DOT Order 2100.6B and DOT Order 2100.7, as well as the requirements in 49 U.S.C. 60102(b), and preliminarily determined that this proposed rule will result in cost savings by reducing regulatory burdens and regulatory uncertainty for gas pipeline facility operators by removing an unnecessary and burdensome limitation to welding qualifications. In their comment, Williams estimated a perceived cost savings of \$1 million from removing the § 192.229(a) limitation on welders and welding operators. PHMSA was not able to verify this estimate due to lack of information about how welding qualification practices might change following the proposed rule and the cost savings associated with such changes. However, it expects any potential cost savings may also result in reduced costs for the public to whom pipeline operators generally transfer a portion of their compliance costs. PHMSA also preliminarily determined that the proposed rule will not have an adverse effect on safety because current non-destructive testing practices are equivalent to destructive testing for the qualification of welders, and industry standards already contain limitations on qualifications by destructive testing.

C. Executive Orders 14192 and 14219

This proposed rule, if finalized as proposed, is expected to be a deregulatory action pursuant to E.O. 14192, *Unleashing Prosperity Through Deregulation*. PHMSA estimates that the total costs of the NPRM on the regulated community will be less than zero. Nor does this rulemaking implicate any of the factors identified in section 2(a) of E.O. 14219, *Ensuring Lawful Governance and Implementing the President’s “Department of Government Efficiency” Deregulatory Initiative*, indicative that a regulation is “unlawful . . . [or] that undermine[s] the national interest.”

D. Energy-Related Executive Orders 13211, 14154, and 14156

The President has declared in E.O. 14156, *Declaring a National Energy Emergency*, a national emergency to address America’s inadequate energy development production,

transportation, refining, and generation capacity. Similarly, E.O. 14154, *Unleashing American Energy*, asserts a Federal policy to unleash American energy by ensuring access to abundant supplies of reliable, affordable energy from (inter alia) the removal of “undue burden[s]” on the identification, development, or use of domestic energy resources such as PHMSA-jurisdictional gases and hazardous liquids. PHMSA preliminarily finds this proposed rule is consistent with each of E.O. 14156 and E.O. 14154. The proposed rule will give affected pipeline operators relief from outdated, burdensome, and unnecessary technological limitations. PHMSA therefore expects the regulatory amendments in this proposed rule will in turn increase national pipeline transportation capacity and improve pipeline operators’ ability to provide abundant, reliable, affordable natural gas in response to residential, commercial, and industrial demand.

However, this proposed rule is not a “significant energy action” under E.O. 13211, *Actions Concerning Regulations That Significantly Affect Energy Supply, Distribution, or Use*, which requires Federal agencies to prepare a Statement of Energy Effects for any “significant energy action.” Because this proposed rule is not a significant action under E.O. 12866, it will not have a significant adverse effect on supply, distribution, or energy use; OIRA has therefore not designated this proposed rule as a significant energy action.

E. Executive Order 13132: Federalism

PHMSA analyzed this proposed rule in accordance with the principles and criteria contained in E.O. 13132, *Federalism*, and the Presidential Memorandum (“Preemption”) published in the **Federal Register** on May 22, 2009. E.O. 13132 requires agencies to assure meaningful and timely input by State and local officials in the development of regulatory policies that may have “substantial direct effects on the States, on the relationship between the National Government and the States, or on the distribution of power and responsibilities among the various levels of government.”

While the proposed rule may (when finalized) operate to preempt some State requirements, it would not impose any regulation that has substantial direct effects on the States, the relationship between the National Government and the States, or the distribution of power and responsibilities among the various levels of government. Section 60104(c) of the Federal Pipeline Safety Laws prohibits certain State safety regulation

of interstate pipelines. Under the Federal Pipeline Safety Laws, States that have submitted a current certification under section 60105(a) can augment Federal pipeline safety requirements for intrastate pipelines regulated by PHMSA but may not approve safety requirements less stringent than those required by Federal law. A State may also regulate an intrastate pipeline facility that PHMSA does not regulate. The preemptive effect of the regulatory amendments in this proposed rule is limited to the minimum level necessary to achieve the objectives of the Federal Pipeline Safety Laws. Therefore, the consultation and funding requirements of E.O. 13132 do not apply.

F. Regulatory Flexibility Act

The Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*) requires Federal agencies to conduct an Initial Regulatory Flexibility Analysis (IRFA) for a proposed rule subject to notice-and-comment rulemaking unless the agency head certifies that the proposed rule in the rulemaking will not have a significant economic impact on a substantial number of small entities. E.O. 13272, *Proper Consideration of Small Entities in Agency Rulemaking*, obliges agencies to establish procedures promoting compliance with the RFA. DOT posts its implementing guidance on a dedicated web page.² This proposed rule was developed in accordance with E.O. 13272 and DOT implementing guidance to ensure compliance with the RFA. The proposed rule is expected to reduce regulatory burdens by allowing welders and welding operators whose qualifications are based on nondestructive testing to perform welds on compressor station pipe and components. Further, the changes proposed here are not expected to impose additional burdens on any operator. Therefore, PHMSA certifies the proposed rule (if finalized) will not have a significant impact on a substantial number of small entities.

G. Unfunded Mandates Reform Act of 1995

The Unfunded Mandates Reform Act (UMRA, 2 U.S.C. 1501 *et seq.*) requires agencies to assess the effects of Federal regulatory actions on State, local, and Tribal governments, and the private sector. For any proposed or final rule that includes a Federal mandate that may result in the expenditure by State, local, and Tribal governments, in the

aggregate of \$100 million or more in 1996 dollars (\$203 million in 2024 dollars) in any given year, the agency must prepare, amongst other things, a written statement that qualitatively and quantitatively assesses the costs and benefits of the Federal mandate.

This proposed rule does not impose unfunded mandates under UMRA. PHMSA does not expect the proposed rule will result in costs of \$100 million or more (in 1996 dollars) per year for either State, local, or Tribal governments, or to the private sector.

H. National Environmental Policy Act

The National Environmental Policy Act (NEPA, 42 U.S.C. 4321 *et seq.*) requires that Federal agencies assess and consider the impact of major Federal actions on the human and natural environment.

PHMSA analyzed this proposed rule in accordance with NEPA and issues this draft Finding of No Significant Impact (FONSI) because it has preliminarily determined that the rulemaking will not adversely affect safety and therefore will not significantly affect the quality of the human and natural environment. The public is invited to comment on the impact of the proposed action.

I. Executive Order 13175

PHMSA analyzed this proposed rule according to the principles and criteria in E.O. 13175, *Consultation and Coordination with Indian Tribal Governments*, and DOT Order 5301.1A (“Department of Transportation Tribal Consultation Policies and Procedures”). E.O. 13175 requires agencies to assure meaningful and timely input from Tribal government representatives in the development of rules that significantly or uniquely affect Tribal communities by imposing “substantial direct compliance costs” or “substantial direct effects” on such communities or the relationship or distribution of power between the Federal Government and Tribes.

PHMSA assessed the impact of the proposed rule and determined that it will not significantly or uniquely affect Tribal communities or Indian Tribal governments. The rulemaking’s regulatory amendments have a broad, national scope; therefore, this proposed rule will not significantly or uniquely affect Tribal communities, much less impose substantial compliance costs on Native American Tribal governments or mandate Tribal action. For these reasons, PHMSA has concluded that the funding and consultation requirements of E.O. 13175 and DOT Order 5301.1A do not apply.

² DOT, *Rulemaking Requirements Concerning Small Entities*, <https://www.transportation.gov/regulations/rulemaking-requirements-concerning-small-entities>.

J. Paperwork Reduction Act

The Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*) and its implementing regulations at 5 CFR 1320.8(d) requires that PHMSA provide interested members of the public and affected agencies with an opportunity to comment on information collection and recordkeeping requests. This rulemaking will not create, amend, or rescind any existing information collections.

K. Executive Order 13609 and International Trade Analysis

E.O. 13609, *Promoting International Regulatory Cooperation*, requires agencies to consider whether the impacts associated with significant variations between domestic and international regulatory approaches are unnecessary or may impair the ability of American business to export and compete internationally. In meeting shared challenges involving health, safety, labor, security, environmental, and other issues, international regulatory cooperation can identify approaches that are at least as protective as those that are or would be adopted in the absence of such cooperation. International regulatory cooperation can also reduce, eliminate, or prevent unnecessary differences in regulatory requirements.

Similarly, the Trade Agreements Act of 1979 (Pub. L. 96–39), as amended by the Uruguay Round Agreements Act (Pub. L. 103–465), prohibits Federal agencies from establishing any standards or engaging in related activities that create unnecessary obstacles to the foreign commerce of the United States. For purposes of these requirements, Federal agencies may participate in the establishment of international standards, so long as the standards have a legitimate domestic objective, such as providing for safety, and do not operate to exclude imports that meet this objective. The statute also requires consideration of international standards and, where appropriate, that they be the basis for U.S. standards.

PHMSA engages with international standards setting bodies to protect the safety of the American public. PHMSA has assessed the effects of the proposed rule and has determined that its proposed regulatory amendments will not cause unnecessary obstacles to foreign trade.

L. Cybersecurity and Executive Order 14028

E.O. 14028, *Improving the Nation's Cybersecurity*, directs the Federal Government to improve its efforts to

identify, to deter, and to respond to “persistent and increasingly sophisticated malicious cyber campaigns.” PHMSA has considered the effects of the proposed rule and has determined that its proposed regulatory amendments would not materially affect the cybersecurity risk profile for pipeline facilities.

List of Subjects in 49 CFR Part 192

Pipeline Safety

For the reasons set forth above, PHMSA proposes to amend 49 CFR part 192 as follows:

PART 192—TRANSPORTATION OF NATURAL AND OTHER GAS BY PIPELINE: MINIMUM FEDERAL SAFETY STANDARDS

■ 1. The authority citation for part 192 continues to read as follows:

Authority: 30 U.S.C. 185(w)(3), 49 U.S.C. 5103, 60101 *et seq.*, and 49 CFR 1.97.

§ 192.229 [Amended]

■ 2. In § 192.229, remove paragraph (a) and redesignate paragraphs (b) through (d) as paragraphs (a) through (c).

Issued in Washington, DC, on April 22, 2026, under the authority delegated in 49 CFR 1.97.

Paul J. Roberti,
Administrator.

[FR Doc. 2026–08083 Filed 4–23–26; 8:45 am]

BILLING CODE 4910–60–P

DEPARTMENT OF TRANSPORTATION**Pipeline and Hazardous Materials Safety Administration****49 CFR Parts 192 and 195**

[Docket No. PHMSA–2025–0118]

RIN 2137–AF79

Pipeline Safety: Integration of Innovative Remote Sensing Technologies for Right-of-Way Patrols on Gas and Hazardous Liquid Pipelines

AGENCY: Pipeline and Hazardous Materials Safety Administration (PHMSA), Department of Transportation (DOT).

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: PHMSA proposes to clarify that right-of-way patrol requirements are technology neutral, and that operators can use remote sensing technologies, such as unmanned aerial systems and satellites, for complying with gas transmission, hazardous liquid, and

carbon dioxide pipeline rights-of-way patrolling requirements.

DATES: Comments must be received on or before June 23, 2026.

ADDRESSES: You may submit comments identified by the Docket Number PHMSA–2025–0118 using any of the following methods:

E-Gov Web: <https://www.regulations.gov>. This site allows the public to enter comments on any **Federal Register** notice issued by any agency. Follow the online instructions for submitting comments.

Mail: Docket Management System: U.S. Department of Transportation, 1200 New Jersey Avenue SE, West Building Ground Floor, Room W12–140, Washington, DC 20590–0001.

Hand Delivery: U.S. DOT Docket Management System: 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.

For commenting instructions and additional information about commenting, see **SUPPLEMENTARY INFORMATION**.

FOR FURTHER INFORMATION CONTACT:

Sayler Palabrica, Transportation Specialist, 1200 New Jersey Avenue SE, Washington, DC 20590, 202–744–0825, sayler.palabrica@dot.gov.

SUPPLEMENTARY INFORMATION:**I. General Discussion**

PHMSA requires operators to perform periodic patrols of gas transmission and hazardous liquid and carbon dioxide pipeline rights-of-way (ROW). 49 CFR 192.705 requires operators to patrol gas transmission pipelines between one and four times each calendar year, depending on the class location of the pipeline and whether the pipeline is located at a highway or railroad crossing. Similarly, 49 CFR 195.412 requires hazardous liquid and carbon dioxide pipeline operators to inspect the surface conditions on or adjacent to each pipeline ROW at least 26 times each year.

Sections 192.705 and 195.412 both specify that patrols or inspections may include walking, driving, flying, or other appropriate means of traversing the ROW. During these inspections, an operator patrols the ROW to identify indications of leaks or threats to pipeline integrity, such as construction, excavation activity, and earth movement. Though these are primarily visual inspections, PHMSA is aware of operators who integrate additional sensing technologies, such as thermal imaging or light detection and ranging

sensors, to identify leaks, earth movement, the condition of water crossings, and other safety risks when conducting ROW patrols.

On July 1, 2025, PHMSA published a direct final rule (DFR) codifying past guidance that operators could use unmanned aircraft systems (UAS, commonly known as drones) and satellite surveillance to satisfy patrol requirements in §§ 192.705 and 195.412, provided such methods and technologies could provide current information and imaging quality comparable to traditional aerial patrols (90 FR 28105 (July 1, 2025)). PHMSA received seven comments in response to the DFR.

The Interstate Natural Gas Association of America (INGAA) and Orbital Advisors supported the DFR amendments.^{1,2} The American Fuel and Petrochemical Manufacturers Association supported the DFR but recommended further revisions to allow operators delay patrols due to unfavorable weather conditions, to allow operators use imaging platforms other than satellites, to clarify that “observation” is for ROW surface conditions, and to define the date of inspection for imagery-based patrols as the date that the imagery was acquired.³

KCSI Aerial Patrol provided similar comments, with concern that the DFR language only used the term “imaging” in relation to satellite technology, implying that PHMSA would require visual inspection rather than aerial photography for patrols operators performed via aircraft. KCSI Air Patrol also commented that PHMSA should explicitly require that alternative patrol methods provide current information imaging quality comparable to traditional aerial patrols consistent with the position in the letters of interpretation cited in the DFR.⁴ An

anonymous commenter similarly suggested a need to define performance requirements but recommended more prescriptive examples of conditions a patrol must be able to observe.⁵

The Pipeline Safety Trust (PST) opposed the DFR on procedural grounds and requested more explanation and opportunity to comment on changes to the “other appropriate means” standard in § 192.705(c). PST also noted concerns about the performance of satellite-based technologies discussed in other rulemaking proceedings in a gas pipeline leak detection context that seemed inconsistent with PHMSA enforcement guidance for visual patrols.⁶ Citing the receipt of adverse comments, on October 2, 2025, PHMSA published a notice withdrawing the DFR in accordance with the requirements in 49 CFR 190.339 (90 FR 47626).

In this NPRM, PHMSA is reproposing the DFR amendments with certain revisions. First, the revised proposal allows observation or imaging via any of the listed patrol methods, avoiding the implication that only satellite patrols may be based on imaging rather than visual observation. In response to comments received from PST, PHMSA proposes to retain the term “appropriate” rather than “suitable” in §§ 192.705(c) and 195.412(a), with additional language to accommodate differences in imagery-based patrol methods. Though the term “suitable” appears in the letters of interpretation cited in the DFR, PHMSA intends to codify guidance that UAS and satellite imagery are acceptable patrol methods if they meet existing patrol quality expectations. PHMSA is not proposing other changes to patrol performance standards as recommended in certain comments.

Consistent with the letters of interpretation cited in the DFR, PHMSA includes the term “current” in this proposal to strengthen patrol requirements when operators use aerial or satellite imaging methods. As noted in PST’s comment, visual inspections provide instant information on current conditions. Imaging should provide the same information (e.g., be promptly analyzed after the imagery is captured) to ensure such methods are equivalent

to traditional patrol methods. PHMSA uses the term “observe” rather than “traverse” in the proposal in response to certain comments on the DFR. Operators observe the ROW when performing pipeline patrols, and satellites do not necessarily traverse the ROW when operators use them for pipeline patrols.

The performance of satellite-based patrol methods depends on the capability of the satellite and the probable threats being evaluated. Patrols are not primarily a leak-detection tool, which is addressed by separate requirements at §§ 192.706 and 192.723. Though most satellites may not be able to detect small gas leaks, high-resolution camera systems and other sensors can detect other threats, such as hazardous liquid leaks, earth movement, and construction or excavation activity that traditional surveys intend to address. Lower-resolution tools may not be suitable for detecting such threats, and aerial or satellite technology may not be suitable for all possible threats. Ultimately, the operator is responsible for selecting the type and performance of tools necessary to observe probable risks on the pipeline ROW. PHMSA appreciates public comments on the cost and performance of satellite-based ROW monitoring technologies.

PHMSA is not proposing any revisions to the patrol frequencies or deadlines. PHMSA welcomes comments on the potential benefits of clarifying that the patrol deadlines apply to the date that patrol data is collected, the date it is analyzed, or both. PHMSA also prepared a risk assessment (preliminary regulatory impact analysis) in developing the NPRM to address the comments received in response to the DFR.

Commenting Instructions: Please include the docket number PHMSA–2025–0118 at the beginning of your comments. If you submit your comments by mail, submit two copies. If you wish to receive confirmation that PHMSA received your comments, include a self-addressed stamped postcard. Internet users may submit comments at <https://www.regulations.gov>.

Note: Comments are posted without changes or edits to <https://www.regulations.gov>, including any personal information provided. There is a privacy statement published on <https://www.regulations.gov>.

Privacy Act: In accordance with 5 U.S.C. 553(c), DOT solicits comments from the public to inform its rulemaking process. DOT posts these comments, without edit, including any personal information the commenter provides, to

¹ INGAA, “Comment on Pipeline Safety: Integration of Innovative Remote Sensing Technologies for Right-of-Way Patrols on Gas and Hazardous Liquid Pipelines” (Sept. 2, 2025), <https://www.regulations.gov/comment/PHMSA-2025-0118-0006>.

² Weaver, “Comment on Pipeline Safety: Integration of Innovative Remote Sensing Technologies for Right-of-Way Patrols on Gas and Hazardous Liquid Pipelines” (Sept. 2, 2025), <https://www.regulations.gov/comment/PHMSA-2025-0118-0005>.

³ American Fuel and Petrochemical Manufacturers Association, “Comment on Pipeline Safety: Integration of Innovative Remote Sensing Technologies for Right-of-Way Patrols on Gas and Hazardous Liquid Pipelines” (Sept. 3, 2025), <https://www.regulations.gov/comment/PHMSA-2025-0118-0007>.

⁴ KCSI Aerial Patrol, “Comment on Pipeline Safety: Integration of Innovative Remote Sensing Technologies for Right-of-Way Patrols on Gas and Hazardous Liquid Pipelines” (Sept. 2, 2025), <https://www.regulations.gov/comment/PHMSA-2025-0118-0004>.

⁵ Anonymous, “Comment on Pipeline Safety: Integration of Innovative Remote Sensing Technologies for Right-of-Way Patrols on Gas and Hazardous Liquid Pipelines” (Aug. 25, 2025), <https://www.regulations.gov/comment/PHMSA-2025-0118-00043>.

⁶ PST, “Comment on Pipeline Safety: Integration of Innovative Remote Sensing Technologies for Right-of-Way Patrols on Gas and Hazardous Liquid Pipelines” at 2 (August 21, 2025), <https://www.regulations.gov/comment/PHMSA-2025-0118-0002>.

<https://www.regulations.gov>, as described in the system of records notice (DOT/ALL-14 FDMS), which can be reviewed at <https://www.dot.gov/privacy>.

Confidential Business Information: Confidential Business Information (CBI) is commercial or financial information that is both customarily and actually treated as private by its owner. Under the Freedom of Information Act (FOIA, 5 U.S.C. 552), CBI is exempt from public disclosure. It is important that you clearly designate the comments submitted as CBI if: your comments responsive to this document contain commercial or financial information that is customarily treated as private; you actually treat such information as private; and your comment is relevant or responsive to this notice. Pursuant to 49 CFR 190.343, you may ask PHMSA to provide confidential treatment to information you give to the agency by taking the following steps: (1) mark each page of the original document submission containing CBI as “Confidential;” (2) send PHMSA, along with the original document, a second copy of the original document with the CBI deleted; and (3) explain why the information that you are submitting is CBI. Submissions containing CBI should be sent to Sayler Palabrica, Office of Pipeline Safety Standards and Rulemaking Division, Pipeline and Hazardous Materials Safety Administration (PHMSA), 2nd Floor, 1200 New Jersey Avenue SE, Washington, DC 20590-0001, or by email at sayler.palabrica@dot.gov. Any materials PHMSA receives that is not specifically designated as CBI will be placed in the public docket.

Docket: For access to the docket to read background documents or comments received, go to <http://www.regulations.gov>. Follow the online instructions for accessing the docket. Alternatively, you may review the documents in person at the street address listed above.

II. Regulatory Analysis and Notices

A. Legal Authority

This proposed rule is published under the authority of the Secretary of Transportation set forth in the Federal Pipeline Safety Laws (49 U.S.C. 60101 *et seq.*) and delegated to the PHMSA Administrator pursuant to 49 CFR 1.97.

B. Statutory Requirement and Executive Order 12866

The Federal Pipeline Safety Laws (49 U.S.C. 60102(b)) require that PHMSA prepare a risk assessment that identifies the costs and benefits associated with a

proposed regulatory change. E.O. 12866, *Regulatory Planning and Review*, as implemented by DOT Order 2100.6B (“Policies and Procedures for Rulemaking”) and DOT Order 2100.7 (“Ensuring Reliance upon Sound Economic Analysis in Department of Transportation Policies, Programs, and Activities”), requires agencies to regulate in the “most cost-effective manner,” to make a “reasoned determination that the benefits of the intended regulation justify its costs,” and to develop regulations that “impose the least burden on society.” In arriving at those conclusions, E.O. 12866 requires that agencies should consider “both quantifiable measures . . . and qualitative measures of costs and benefits that are difficult to quantify” and “maximize net benefits . . . unless a statute requires another regulatory approach.” E.O. 12866 also requires that “agencies should assess all costs and benefits of available regulatory alternatives, including the alternative of not regulating.” DOT Order 2100.6B directs that PHMSA and other Operating Administrations must generally choose the “least costly regulatory alternative that achieves the relevant objectives” unless required by law or compelling safety need. DOT Order 2100.6B also specifies that regulations should generally “not be issued unless their benefits are expected to exceed their costs” except where required by law or compelling safety need. DOT Order 2100.7 requires that “all rulemaking activities shall be based on sound economic principles and analysis supported by rigorous cost-benefit requirement.”

E.O. 12866 and DOT Order 2100.6B also require that PHMSA submit “significant regulatory actions” to the Office of Information and Regulatory Affairs (OIRA) within the Executive Office of the President’s Office of Management and Budget (OMB) for review. This final rule is a not significant regulatory action pursuant to E.O. 12866; OMB also has not designated this rule as a “major rule” as defined by the Congressional Review Act (5 U.S.C. 801 *et seq.*).

PHMSA has complied with the procedural and analytical requirements in E.O. 12866 as implemented by DOT Order 2100.6B and DOT Order 2100.7, as well as the requirements in 49 U.S.C. 60102(b) and preliminarily determined that this proposed rule will result in cost savings by reducing regulatory burdens and regulatory uncertainty for gas, hazardous liquid, and carbon dioxide pipeline facility operators by clarifying that cost-effective remote sensing technologies are acceptable

methods for performing patrols. The accompanying Preliminary Regulatory Impact Analysis provides detailed cost assessments of the various patrol options that facility operators could potentially use. PHMSA estimates that the changes in the proposed rule will result in annualized cost savings of \$26.2 million. PHMSA expects these cost savings may also result in reduced costs for the public to whom pipeline operators generally transfer a portion of their compliance costs. PHMSA has also preliminarily determined that the proposed rule will not have any adverse safety and environmental effects since operators are required to select patrol options that meet or exceed the performance standard for patrol requirements.

C. Executive Orders 14192 and 14219

This proposed rule, if finalized as proposed, is expected to be a deregulatory action pursuant to E.O. 14192, *Unleashing Prosperity Through Deregulation*. PHMSA estimates that the total costs of the NPRM on the regulated community will be less than zero. Nor does this rulemaking implicate any of the factors identified in section 2(a) of E.O. 14219, *Ensuring Lawful Governance and Implementing the President’s “Department of Government Efficiency” Deregulatory Initiative*, indicative that a regulation is “unlawful . . . [or] that undermine[s] the national interest.”

D. Energy-Related Executive Orders 13211, 14154, and 14156

The President has declared in E.O. 14156, *Declaring a National Energy Emergency*, a National emergency to address America’s inadequate energy development production, transportation, refining, and generation capacity. Similarly, E.O. 14154, *Unleashing American Energy*, asserts a Federal policy to unleash American energy by ensuring access to abundant supplies of reliable, affordable energy from (inter alia) the removal of “undue burden[s]” on the identification, development, or use of domestic energy resources such as PHMSA-jurisdictional gases and hazardous liquids. PHMSA preliminarily finds this proposed rule is consistent with each of E.O. 14156 and E.O. 14154. The proposed rule will give affected pipeline operators relief by clarifying that cost-effective remote sensing technologies are acceptable ways for operators to perform patrols. PHMSA therefore expects the regulatory amendments in this proposed rule will in turn increase national pipeline transportation capacity and improve pipeline operators’ ability to provide

abundant, reliable, affordable natural gas, petroleum, petroleum products, other hazardous liquids, and carbon dioxide in response to residential, commercial, and industrial demand.

However, this proposed rule is not a “significant energy action” under E.O. 13211, *Actions Concerning Regulations That Significantly Affect Energy Supply, Distribution, or Use*, which requires Federal agencies to prepare a Statement of Energy Effects for any “significant energy action.” Because this proposed rule is not a significant action under E.O. 12866, it will not have a significant adverse effect on supply, distribution, or energy use; OIRA has therefore not designated this proposed rule as a significant energy action.

E. Executive Order 13132: Federalism

PHMSA analyzed this proposed rule in accordance with the principles and criteria contained in E.O. 13132, *Federalism*, and the Presidential Memorandum (“Preemption”) published in the **Federal Register** on May 22, 2009. E.O. 13132 requires agencies to assure meaningful and timely input by State and local officials in the development of regulatory policies that may have “substantial direct effects on the States, on the relationship between the National Government and the States, or on the distribution of power and responsibilities among the various levels of government.”

Though the proposed rule may (when finalized) operate to preempt some State requirements, it would not impose any regulation that has substantial direct effects on the States, the relationship between the National Government and the States, or the distribution of power and responsibilities among the various levels of government. Section 60104(c) of the Federal Pipeline Safety Laws prohibits certain State safety regulation of interstate pipelines. Under the Federal Pipeline Safety Laws, States that have submitted a current certification under section 60105(a) can augment Federal pipeline safety requirements for intrastate pipelines regulated by PHMSA but may not approve safety requirements less stringent than those required by Federal law. A State may also regulate an intrastate pipeline facility that PHMSA does not regulate. The preemptive effect of the regulatory amendments in this proposed rule is limited to the minimum level necessary to achieve the objectives of the Federal Pipeline Safety Laws. Therefore, the consultation and funding requirements of E.O. 13132 do not apply.

F. Regulatory Flexibility Act

The Regulatory Flexibility Act (RFA, 5 U.S.C. 601 *et seq.*) requires Federal agencies to conduct an Initial Regulatory Flexibility Analysis (IRFA) for a proposed rule subject to notice-and-comment rulemaking unless the agency head certifies that the rulemaking will not have a significant economic impact on a substantial number of small entities. E.O. 13272, *Proper Consideration of Small Entities in Agency Rulemaking*, obliges agencies to establish procedures promoting compliance with the RFA. DOT posts its implementing guidance on a dedicated web page.⁷ PHMSA developed this proposed rule in accordance with E.O. 13272 and DOT implementing guidance to ensure compliance with the RFA. PHMSA expects the proposed rule to reduce regulatory burdens by codifying existing guidance that operators are permitted to use remote sensing technologies for their right-of-way patrols. Further, the changes proposed here are not expected to impose additional burdens on any operator. Therefore, PHMSA certifies the proposed rule (if finalized) will not have a significant impact on a substantial number of small entities.

G. Unfunded Mandates Reform Act of 1995

The Unfunded Mandates Reform Act (UMRA, 2 U.S.C. 1501 *et seq.*) requires agencies to assess the effects of Federal regulatory actions on State, local, and Tribal governments, and the private sector. For any proposed or final rule that includes a Federal mandate that may result in the expenditure by State, local, and Tribal governments, in the aggregate of \$100 million or more in 1996 dollars (\$203 million in 2024 dollars) in any given year, the agency must prepare, amongst other things, a written statement that qualitatively and quantitatively assesses the costs and benefits of the Federal mandate.

This proposed rule does not impose unfunded mandates under UMRA. PHMSA does not expect the proposed rule will result in costs of \$100 million or more (in 1996 dollars) per year for either State, local, or Tribal governments, or to the private sector.

H. National Environmental Policy Act

The National Environmental Policy Act (NEPA, 42 U.S.C. 4321 *et seq.*) requires that Federal agencies assess and consider the impact of major

⁷ DOT, *Rulemaking Requirements Concerning Small Entities*, <https://www.transportation.gov/regulations/rulemaking-requirements-concerning-small-entities>.

Federal actions on the human and natural environment.

PHMSA analyzed this proposed rule in accordance with NEPA and issues this draft Finding of No Significant Impact (FONSI) because it has preliminarily determined that the rulemaking will not adversely affect safety and therefore will not significantly affect the quality of the human and natural environment. The public is invited to comment on the impact of the proposed action.

I. Executive Order 13175

PHMSA analyzed this proposed rule according to the principles and criteria in E.O. 13175, *Consultation and Coordination with Indian Tribal Governments*, and DOT Order 5301.1A (“Department of Transportation Tribal Consultation Policies and Procedures”). E.O. 13175 requires agencies to assure meaningful and timely input from Tribal government representatives in the development of rules that significantly or uniquely affect Tribal communities by imposing “substantial direct compliance costs” or “substantial direct effects” on such communities or the relationship or distribution of power between the Federal Government and Tribes.

PHMSA assessed the impact of the proposed rule and determined that it will not significantly or uniquely affect Tribal communities or Indian Tribal governments. The rulemaking’s regulatory amendments have a broad, national scope; therefore, this proposed rule will not significantly or uniquely affect Tribal communities, much less impose substantial compliance costs on Native American Tribal governments or mandate Tribal action. For these reasons, PHMSA has concluded that the funding and consultation requirements of E.O. 13175 and DOT Order 5301.1A do not apply.

J. Paperwork Reduction Act

The Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*) and its implementing regulations at 5 CFR 1320.8(d) requires that PHMSA provide interested members of the public and affected agencies with an opportunity to comment on information collection and recordkeeping requests. This rulemaking will not create, amend, or rescind any existing information collections.

K. Executive Order 13609 and International Trade Analysis

E.O. 13609, *Promoting International Regulatory Cooperation*, requires agencies to consider whether the impacts associated with significant

variations between domestic and international regulatory approaches are unnecessary or may impair the ability of American business to export and compete internationally. In meeting shared challenges involving health, safety, labor, security, environmental, and other issues, international regulatory cooperation can identify approaches that are at least as protective as those that are or would be adopted in the absence of such cooperation. International regulatory cooperation can also reduce, eliminate, or prevent unnecessary differences in regulatory requirements.

Similarly, the Trade Agreements Act of 1979 (Pub. L. 96–39), as amended by the Uruguay Round Agreements Act (Pub. L. 103–465), prohibits Federal agencies from establishing any standards or engaging in related activities that create unnecessary obstacles to the foreign commerce of the United States. For purposes of these requirements, Federal agencies may participate in the establishment of international standards, so long as the standards have a legitimate domestic objective, such as providing for safety, and do not operate to exclude imports that meet this objective. The statute also requires consideration of international standards and, where appropriate, that they be the basis for U.S. standards.

PHMSA engages with international standards setting bodies to protect the safety of the American public. PHMSA has assessed the effects of the proposed rule and has determined that its proposed regulatory amendments will not cause unnecessary obstacles to foreign trade.

L. Cybersecurity and Executive Order 14028

E.O. 14028, *Improving the Nation's Cybersecurity*, directs the Federal Government to improve its efforts to identify, deter, and respond to “persistent and increasingly sophisticated malicious cyber campaigns.” PHMSA has considered the effects of the proposed rule and has determined that its proposed regulatory amendments would not materially affect the cybersecurity risk profile for pipeline facilities.

List of Subjects

49 CFR Part 192

Natural gas, Pipeline safety.

49 CFR Part 195

Pipeline safety.

In consideration of the foregoing, PHMSA proposes to amend 49 CFR parts 192 and 195 as follows:

PART 192—TRANSPORTATION OF NATURAL AND OTHER GAS BY PIPELINE: MINIMUM FEDERAL SAFETY STANDARDS

■ 1. The authority citation for 49 CFR part 192 continues to read as follows:

Authority: 30 U.S.C. 185(w)(3), 49 U.S.C. 5103, 60101 *et seq.*, and 49 CFR 1.97.

■ 2. Revise § 192.705(c) to read as follows:

§ 192.705 Transmission lines: Patrolling.

* * * * *

(c) Methods of patrolling include observation or imaging from walking, driving, flying via manned or unmanned aerial systems, satellite, or appropriate means for observing current surface conditions in the right-of-way.

PART 195—TRANSPORTATION OF HAZARDOUS LIQUIDS BY PIPELINE

■ 3. The authority citation for part 195 continues to read as follows:

Authority: 30 U.S.C. 185(w)(3), 49 U.S.C. 5121, 60101 *et seq.*, and 49 CFR 1.97.

■ 4. Revise § 195.412(a) to read as follows:

§ 195.412 Inspection of rights-of-way and crossings under navigable waters.

(a) Each operator shall, at intervals not exceeding 3 weeks, but at least 26 times each calendar year, inspect the surface conditions on or adjacent to each pipeline right-of-way. Methods of inspection include observation or imaging from walking, driving, flying via manned or unmanned aerial systems, satellite, or appropriate means for observing current surface conditions in the right-of-way.

* * * * *

Issued in Washington, DC, on April 22, 2026, under the authority delegated in 49 CFR 1.97.

Paul J. Roberti,

Administrator.

[FR Doc. 2026–08080 Filed 4–23–26; 8:45 am]

BILLING CODE 4910–60–P

DEPARTMENT OF TRANSPORTATION

Pipeline and Hazardous Materials Safety Administration

49 CFR Parts 192 and 195

[Docket No. PHMSA–2026–1553]

RIN 2137–AG57

Pipeline Safety: Timeframe To Make RMVs Operational

AGENCY: Pipeline and Hazardous Materials Safety Administration

(PHMSA), Department of Transportation (DOT).

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: PHMSA proposes to amend the required timeframes for making rupture-mitigation valves and alternative equivalent technology operational on gas transmission, hazardous liquid, and carbon dioxide pipelines.

DATES: Comments must be received on or before June 23, 2026.

ADDRESSES: You may submit comments identified by the Docket Number PHMSA–2026–1553 using any of the following methods:

E-Gov Web: <https://www.regulations.gov>. This site allows the public to enter comments on any **Federal Register** notice issued by any agency. Follow the online instructions for submitting comments.

Mail: Docket Management System: U.S. Department of Transportation, 1200 New Jersey Avenue SE, West Building Ground Floor, Room W12–140, Washington, DC 20590–0001.

Hand Delivery: U.S. DOT Docket Management System: 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.

For commenting instructions and additional information about commenting, see **SUPPLEMENTARY INFORMATION**.

FOR FURTHER INFORMATION CONTACT: Brooks Tate, Transportation Specialist, 1200 New Jersey Avenue SE, Washington, DC 20590, 202–744–0825, brooks.tate@dot.gov.

SUPPLEMENTARY INFORMATION:

I. General Discussion

Through this NPRM, PHMSA is proposing to revise requirements in 49 CFR 192.634(a) and 195.418(a) for making rupture-mitigation valves (RMV) and alternative equivalent technologies operational from 14 days to 90 days. Section 192.634(a) currently requires gas transmission pipeline operators to make “RMVs or alternative equivalent technologies . . . operational within 14 days of placing the new or replaced pipeline segment into service.” Section 195.418(a) similarly requires hazardous liquid and carbon dioxide pipeline operators to make RMVs or alternative equivalent technologies operational within the same 14-day deadline.

In response to DOT’s request for information (90 FR 14593 (Apr. 3, 2025)), the American Gas Association

(AGA) and American Public Gas Association (APGA) asked PHMSA to update § 192.634(a) by increasing the timeframe required by the current regulation, claiming the 14-day timeline is “disproportionately burdensome to operators relative to the safety value.”¹ PHMSA agrees with AGA and APGA that the current 14-day timeframe can be challenging for operators to meet, especially considering extenuating circumstances related to inclement weather and operational challenges synchronizing these valves in a supervisory control and data acquisition system. PHMSA also notes that, though natural gas pipeline operators requested this change to be made specifically for the Part 192 regulations, hazardous liquid pipeline operators regulated under Part 195 face similar challenges of issues during construction or project management.

Operators may require more time to verify operation of these appurtenances due to construction issues, the procurement and installation of telemetry equipment, adverse weather, and other potential issues. PHMSA expects, however, that most operators will complete this requirement sooner than 90 days. For these reasons, PHMSA is proposing to revise §§ 192.634(a) and 195.418(a) to increase the timeframe for making RMVs or alternative equivalent technologies operational from 14 to 90 days. PHMSA believes that a 90-day timeframe is appropriate for the reasons stated above and consistent with other deadlines in Parts 192 and 195.

Commenting Instructions: Please include the docket number PHMSA–2026–1553 at the beginning of your comments. If you submit your comments by mail, submit two copies. If you wish to receive confirmation that PHMSA received your comments, include a self-addressed stamped postcard. Internet users may submit comments at <https://www.regulations.gov>.

Note: Comments are posted without changes or edits to <https://www.regulations.gov>, including any personal information provided. There is a privacy statement published on <https://www.regulations.gov>.

Privacy Act: In accordance with 5 U.S.C. 553(c), DOT solicits comments from the public to inform its rulemaking process. DOT posts these comments, without edit, including any personal information the commenter provides, to

<https://www.regulations.gov>, as described in the system of records notice (DOT/ALL–14 FDMS), which can be reviewed at <https://www.dot.gov/privacy>.

Confidential Business Information: Confidential Business Information (CBI) is commercial or financial information that is both customarily and actually treated as private by its owner. Under the Freedom of Information Act (FOIA, 5 U.S.C. 552), CBI is exempt from public disclosure. It is important that you clearly designate the comments submitted as CBI if: your comments responsive to this document contain commercial or financial information that is customarily treated as private; you actually treat such information as private; and your comment is relevant or responsive to this notice. Pursuant to 49 CFR 190.343, you may ask PHMSA to provide confidential treatment to information you give to the agency by taking the following steps: (1) mark each page of the original document submission containing CBI as “Confidential;” (2) send PHMSA, along with the original document, a second copy of the original document with the CBI deleted; and (3) explain why the information that you are submitting is CBI. Submissions containing CBI should be sent to Brooks Tate, Office of Pipeline Safety Standards and Rulemaking Division, Pipeline and Hazardous Materials Safety Administration (PHMSA), 2nd Floor, 1200 New Jersey Avenue SE, Washington, DC 20590–0001, or by email at brooks.tate@dot.gov. Any materials PHMSA receives that is not specifically designated as CBI will be placed in the public docket.

Docket: For access to the docket to read background documents or comments received, go to <http://www.regulations.gov>. Follow the online instructions for accessing the docket. Alternatively, you may review the documents in person at the street address listed above.

II. Regulatory Analysis and Notices

A. Legal Authority

This proposed rule is published under the authority of the Secretary of Transportation set forth in the Federal Pipeline Safety Laws (49 U.S.C. § 60101 *et seq.*) and delegated to the PHMSA Administrator pursuant to 49 CFR 1.97.

B. Statutory Requirement and Executive Order 12866

The Pipeline Safety Laws (49 U.S.C. 60102(b)) require that PHMSA prepare a risk assessment that identifies the costs and benefits associated with a proposed

regulatory change. E.O. 12866, *Regulatory Planning and Review*, as implemented by DOT Order 2100.6B (“Policies and Procedures for Rulemaking”) and DOT Order 2100.7 (“Ensuring Reliance upon Sound Economic Analysis in Department of Transportation Policies, Programs, and Activities”), requires agencies to regulate in the “most cost-effective manner,” to make a “reasoned determination that the benefits of the intended regulation justify its costs,” and to develop regulations that “impose the least burden on society.” In arriving at those conclusions, E.O. 12866 requires that agencies should consider “both quantifiable measures . . . and qualitative measures of costs and benefits that are difficult to quantify” and “maximize net benefits . . . unless a statute requires another regulatory approach.” E.O. 12866 also requires that “agencies should assess all costs and benefits of available regulatory alternatives, including the alternative of not regulating.” DOT Order 2100.6B directs that PHMSA and other Operating Administrations must generally choose the “least costly regulatory alternative that achieves the relevant objectives” unless required by law or compelling safety need. DOT Order 2100.6B also specifies that regulations should generally “not be issued unless their benefits are expected to exceed their costs” unless required by law or compelling safety need. DOT Order 2100.7 requires that “all rulemaking activities shall be based on sound economic principles and analysis supported by rigorous cost-benefit requirements.”

E.O. 12866 and DOT Order 2100.6B also require that PHMSA submit “significant regulatory actions” to the Office of Information and Regulatory Affairs (OIRA) within the Executive Office of the President’s Office of Management and Budget (OMB) for review. This proposed rule is a not significant regulatory action pursuant to E.O. 12866; OMB also has not designated this rule as a “major rule” as defined by the Congressional Review Act (5 U.S.C. 801 *et seq.*).

PHMSA has complied with the procedural and analytical requirements in E.O. 12866 as implemented by DOT Order 2100.6B and DOT Order 2100.7, as well as the requirements in 49 U.S.C. 60102(b), and preliminarily determined that this proposed rule will result in some cost savings by reducing regulatory burdens and regulatory uncertainty for natural gas and hazardous liquid facility operators by revising disproportionately burdensome compliance timelines. The

¹ AGA and APGA, “Comments on Ensuring Lawful Regulation; Reducing Regulation and Controlling Regulatory Costs” (May 5, 2025), <https://www.regulations.gov/comment/DOT-OST-2025-0026-0897>.

accompanying Preliminary Regulatory Impact Analysis provides detailed estimates of the cost savings to operators of the increased timeframe for making RMVs operational. PHMSA estimates that the changes in the proposed rule would result in cost savings of \$20,877 annually. PHMSA expects these cost savings may also result in reduced costs for the public to whom pipeline operators generally transfer a portion of their compliance costs. PHMSA has also preliminarily determined that the proposed rule will not have adverse effects on safety.

C. Executive Orders 14192 and 14219

This proposed rule, if finalized as proposed, is expected to be a deregulatory action pursuant to E.O. 14192, *Unleashing Prosperity Through Deregulation*. PHMSA estimates that the total costs of the proposed rule on the regulated community will be less than zero. Nor does this rulemaking implicate any of the factors identified in section 2(a) of E.O. 14219, *Ensuring Lawful Governance and Implementing the President's "Department of Government Efficiency" Deregulatory Initiative*, indicative that a regulation is "unlawful . . . [or] that undermine[s] the national interest."

D. Energy-Related Executive Orders 13211, 14154, and 14156

The President has declared in E.O. 14156, *Declaring a National Energy Emergency*, a national emergency to address America's inadequate energy development production, transportation, refining, and generation capacity. Similarly, E.O. 14154, *Unleashing American Energy*, asserts a Federal policy to unleash American energy by ensuring access to abundant supplies of reliable, affordable energy from (inter alia) the removal of "undue burden[s]" on the identification, development, or use of domestic energy resources such as PHMSA-jurisdictional gases and hazardous liquids. PHMSA preliminarily finds this proposed rule is consistent with each of E.O. 14156 and E.O. 14154. The proposed rule will give affected pipeline operators relief from unnecessarily stringent compliance timeframes. PHMSA therefore expects the regulatory amendments in this proposed rule will in turn increase national pipeline transportation capacity and improve pipeline operators' ability to provide abundant, reliable, affordable natural gas and hazardous liquid in response to residential, commercial, and industrial demand.

However, this proposed rule is not a "significant energy action" under E.O.

13211, *Actions Concerning Regulations That Significantly Affect Energy Supply, Distribution, or Use*, which requires Federal agencies to prepare a Statement of Energy Effects for any "significant energy action." Because this proposed rule is not a significant action under E.O. 12866, it will not have a significant adverse effect on supply, distribution, or energy use.

E. Executive Order 13132: Federalism

PHMSA analyzed this proposed rule in accordance with the principles and criteria contained in E.O. 13132, *Federalism*, and the Presidential Memorandum ("Preemption") published in the **Federal Register** on May 22, 2009. E.O. 13132 requires agencies to assure meaningful and timely input by State and local officials in the development of regulatory policies that may have "substantial direct effects on the States, on the relationship between the National Government and the States, or on the distribution of power and responsibilities among the various levels of government."

While the proposed rule may (when finalized) operate to preempt some State requirements, it would not impose any regulation that has substantial direct effects on the States, the relationship between the National Government and the States, or the distribution of power and responsibilities among the various levels of government. Section 60104(c) of the Federal Pipeline Safety Laws prohibits certain State safety regulation of interstate pipelines. Under the Federal Pipeline Safety Laws, States that have submitted a current certification under section 60105(a) can augment Federal pipeline safety requirements for intrastate pipelines regulated by PHMSA but may not approve safety requirements less stringent than those required by Federal law. A State may also regulate an intrastate pipeline facility that PHMSA does not regulate. The preemptive effect of the regulatory amendments in this proposed rule is limited to the minimum level necessary to achieve the objectives of the Federal Pipeline Safety Laws. Therefore, the consultation and funding requirements of E.O. 13132 do not apply.

F. Regulatory Flexibility Act

The Regulatory Flexibility Act (RFA, 5 U.S.C. 601 *et seq.*) requires Federal agencies to conduct an Initial Regulatory Flexibility Analysis (IRFA) for a proposed rule subject to notice-and-comment rulemaking unless the agency head certifies that the proposed rule in the rulemaking will not have a significant economic impact on a

substantial number of small entities. E.O. 13272, *Proper Consideration of Small Entities in Agency Rulemaking*, obliges agencies to establish procedures promoting compliance with the RFA. DOT posts its implementing guidance on a dedicated web page.² This proposed rule was developed in accordance with E.O. 13272 and DOT implementing guidance to ensure compliance with the RFA. The proposed rule is expected to reduce regulatory burdens by extending compliance timelines and reducing notification requirements for operators making rupture-mitigation valves operational. The changes proposed here are not expected to impose additional burdens on any operator. Therefore, PHMSA certifies the proposed rule (if finalized) will not have a significant impact on a substantial number of small entities.

G. Unfunded Mandates Reform Act of 1995

The Unfunded Mandates Reform Act (UMRA, 2 U.S.C. 1501 *et seq.*) requires agencies to assess the effects of Federal regulatory actions on State, local, and Tribal governments, and the private sector. For any proposed or final rule that includes a Federal mandate that may result in the expenditure by State, local, and Tribal governments, in the aggregate of \$100 million or more in 1996 dollars (\$203 million in 2024 dollars) in any given year, the agency must prepare, amongst other things, a written statement that qualitatively and quantitatively assesses the costs and benefits of the Federal mandate.

This proposed rule does not impose unfunded mandates under UMRA. PHMSA does not expect the proposed rule will result in costs of \$100 million or more (in 1996 dollars) per year for either State, local, or Tribal governments, or to the private sector.

H. National Environmental Policy Act

The National Environmental Policy Act (NEPA, 42 U.S.C. 4321 *et seq.*) requires that Federal agencies assess and consider the impact of major Federal actions on the human and natural environment.

PHMSA analyzed this proposed rule in accordance with NEPA and issues this draft Finding of No Significant Impact (FONSI) because it has preliminarily determined that the rulemaking will not adversely affect safety and therefore will not significantly affect the quality of the human and natural environment. As

² DOT, *Rulemaking Requirements Concerning Small Entities*, <https://www.transportation.gov/regulations/rulemaking-requirements-concerning-small-entities>.

discussed above, industry stakeholders noted that the current 14-day timeline for RMV operability is impracticable; the extended timeline—which PHMSA expects most operators will satisfy well in advance of the 90-day deadline—accounts for the real-world challenges of integrating complex, safety-critical equipment into a pipeline's operations. The public is invited to comment on the impact of the proposed action.

I. Executive Order 13175

PHMSA analyzed this proposed rule according to the principles and criteria in E.O. 13175, *Consultation and Coordination with Indian Tribal Governments*, and DOT Order 5301.1A ("Department of Transportation Tribal Consultation Policies and Procedures"). E.O. 13175 requires agencies to assure meaningful and timely input from Tribal government representatives in the development of rules that significantly or uniquely affect Tribal communities by imposing "substantial direct compliance costs" or "substantial direct effects" on such communities or the relationship or distribution of power between the Federal Government and Tribes.

PHMSA assessed the impact of the proposed rule and determined that it will not significantly or uniquely affect Tribal communities or Indian Tribal governments. The rulemaking's regulatory amendments have a broad, national scope; therefore, this proposed rule will not significantly or uniquely affect Tribal communities, much less impose substantial compliance costs on Native American Tribal governments or mandate Tribal action. For these reasons, PHMSA has concluded that the funding and consultation requirements of E.O. 13175 and DOT Order 5301.1A do not apply.

J. Paperwork Reduction Act

The Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*) and its implementing regulations at 5 CFR 1320.8(d) requires that PHMSA provide interested members of the public and affected agencies with an opportunity to comment on information collection and recordkeeping requests. Section 192.634 and 195.418 require operators to notify PHMSA to request an extension if a rupture-mitigation valve or alternative equivalent technology cannot be made operational within 14 days of installation. PHMSA proposes to revise §§ 192.634(a) and 195.418(a) to increase this timeframe from 14 to 90 days resulting in a 90 percent decrease in the number of requests to extend the operational deadline. The burden

estimate for this information collection will be revised to reflect this decrease.

PHMSA will submit the following information collection request to OMB for approval based on the adjustments in this proposed rule. These information collection requirements are contained in the Federal Pipeline Safety Regulations at 49 CFR parts 192 and 195. The following information is provided for this information collection: (1) Title of the information collection; (2) OMB control number; (3) Current expiration date; (4) Type of request; (5) Abstract of the information collection activity; (6) Description of affected public; (7) Estimate of total annual reporting and recordkeeping burden; and (8) Frequency of collection. The information collection will be revised as follows:

Title: Rupture Mitigation Valve Notification Requirements.

OMB Control Number: 2137–0638.

Current Expiration Date: 11/30/2025.

Type of Request: Revision.

Abstract: 49 CFR 192.634 and 49 CFR 195.418 require operators who elect to use alternative equivalent technology to notify the Office of Pipeline Safety at least 90 days in advance of use. An operator choosing this option must include a technical and safety evaluation, including design, construction, and operating procedures for the alternative equivalent technology with the notification.

Operators must notify PHMSA if a rupture-mitigation valve cannot be made operational within 90 days of installation. Operators must also notify PHMSA if a valve cannot be repaired or replaced within 12 months.

An operator may seek exemption from certain regulatory requirements by notifying PHMSA in certain instances. An operator may plan to leave a rupture-mitigation valve open for more than 30 minutes following a rupture identification if the operator demonstrates to PHMSA, that closing a rupture mitigation valve, or alternative equivalent technology, would be detrimental to public safety. Likewise, for hazardous liquid pipeline segments in a non-high consequence area (HCA) or a non-HCA could-affect segment, an operator may request exemption from certain requirements if it can demonstrate to PHMSA that installing an otherwise-required rupture-mitigation valve, or alternative equivalent technology, would be economically, technically, or operationally infeasible.

Affected Public: Operators of PHMSA-regulated pipelines.

Annual Reporting and Recordkeeping Burden:

Estimated number of responses: 435.

Estimated annual burden hours: 2,215.

Frequency of collection: On occasion. Requests for copies of this information collection should be directed to Angela Hill at angela.hill@dot.gov.

Comments are invited on:

(a) The need for the proposed collection of information for the proper performance of the functions of the agency, including whether the information will have practical utility;

(b) The accuracy of the agency's estimate of the burden of the revised collection of information, including the validity of the methodology and assumptions used;

(c) Ways to enhance the quality, utility, and clarity of the information to be collected; and

(d) Ways to minimize the burden of the collection of information on those who are to respond, including the use of appropriate automated, electronic, mechanical, or other technological collection techniques.

Send comments directly to the Office of Management and Budget, Office of Information and Regulatory Affairs, Attn: Desk Officer for the Department of Transportation, 725 17th Street NW, Washington, DC 20503. Comments should be submitted on or prior to June 23, 2026.

K. Executive Order 13609 and International Trade Analysis

E.O. 13609, *Promoting International Regulatory Cooperation*, requires agencies to consider whether the impacts associated with significant variations between domestic and international regulatory approaches are unnecessary or may impair the ability of American business to export and to compete internationally. In meeting shared challenges involving health, safety, labor, security, environmental, and other issues, international regulatory cooperation can identify approaches that are at least as protective as those that are or would be adopted in the absence of such cooperation. International regulatory cooperation can also reduce, eliminate, or prevent unnecessary differences in regulatory requirements.

Similarly, the Trade Agreements Act of 1979 (Pub. L. 96–39), as amended by the Uruguay Round Agreements Act (Pub. L. 103–465), prohibits Federal agencies from establishing any standards or engaging in related activities that create unnecessary obstacles to the foreign commerce of the United States. For purposes of these requirements, Federal agencies may

participate in the establishment of international standards, so long as the standards have a legitimate domestic objective, such as providing for safety, and do not operate to exclude imports that meet this objective. The statute also requires consideration of international standards and, where appropriate, that they be the basis for U.S. standards.

PHMSA engages with international standards setting bodies to protect the safety of the American public. PHMSA has assessed the effects of the proposed rule and has determined that its proposed regulatory amendments will not cause unnecessary obstacles to foreign trade.

L. Cybersecurity and Executive Order 14028

E.O. 14028, *Improving the Nation's Cybersecurity*, directs the Federal Government to improve its efforts to identify, to deter, and to respond to "persistent and increasingly sophisticated malicious cyber campaigns." PHMSA has considered the effects of the proposed rule and has determined that its proposed regulatory amendments would not materially affect the cybersecurity risk profile for pipeline facilities.

List of Subjects

49 CFR Part 192

Gas, Natural gas, Pipeline safety.

49 CFR Part 195

Anhydrous ammonia, Carbon dioxide, Petroleum, Pipeline safety.

For the reasons set forth above, PHMSA proposes to amend 49 CFR parts 192 and 195 as follows:

PART 192—TRANSPORTATION OF NATURAL AND OTHER GAS BY PIPELINE: MINIMUM FEDERAL SAFETY STANDARDS

■ 1. The authority citation for 49 CFR Part 192 continues to read as follows:

Authority: 30 U.S.C. 185(w)(3), 49 U.S.C. 5103, 60101 *et seq.*, and 49 CFR 1.97.

■ 2. In § 192.634, revise paragraph (a) to read as follows:

§ 192.634 Transmission lines: Onshore valve shut-off for rupture mitigation.

(a) *Applicability.* For new or entirely replaced onshore transmission pipeline segments with diameters of 6 inches or greater that are located in high-consequence areas (HCA) or Class 3 or Class 4 locations and that are installed after April 10, 2023, an operator must install or use existing rupture-mitigation valves (RMV), or an alternative equivalent technology, according to the requirements of this section and

§§ 192.179 and 192.636. RMVs and alternative equivalent technologies must be operational within 90 days of placing the new or replaced pipeline segment into service. An operator may request an extension of this 90-day operation requirement if it can demonstrate to PHMSA, in accordance with the notification procedures in § 192.18, that application of that requirement would be economically, technically, or operationally infeasible. The requirements of this section apply to all applicable pipe replacement projects, even those that do not otherwise involve the addition or replacement of a valve. This section does not apply to pipe segments in Class 1 or Class 2 locations that have a potential impact radius (PIR), as defined in § 192.903, that is less than or equal to 150 feet.

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PART 195—TRANSPORTATION OF HAZARDOUS LIQUIDS BY PIPELINE

■ 3. The authority citation for Part 195 continues to read as follows:

Authority: 30 U.S.C. 185(w)(3), 49 U.S.C. 5103, 60101 *et seq.*, and 49 CFR 1.97.

■ 4. In § 195.418, revise paragraph (a) to read as follows:

§ 195.418 Valves: Onshore valve shut-off for rupture mitigation.

(a) *Applicability.* For newly constructed and entirely replaced onshore hazardous liquid or carbon dioxide pipeline segments, as defined at § 195.2, with diameters of 6 inches or greater that could affect high-consequence areas or are located in high consequence areas (HCA), and that have been installed after April 10, 2023, an operator must install or use existing rupture-mitigation valves (RMV), as defined at § 195.2, or alternative equivalent technologies according to the requirements of this section and § 195.419. RMVs and alternative equivalent technologies must be operational within 90 days of placing the new or replaced pipeline segment into service. An operator may request an extension of this 90-day operation requirement if it can demonstrate to PHMSA, in accordance with the notification procedures in § 195.18, that application of that requirement would be economically, technically, or operationally infeasible. The requirements of this section apply to all applicable pipe replacements, even those that do not otherwise directly involve the addition or replacement of a valve.

* * * * *

Issued in Washington, DC, on April 22, 2026, under the authority delegated in 49 CFR 1.97.

Paul J. Roberti,

Administrator.

[FR Doc. 2026–08076 Filed 4–23–26; 8:45 am]

BILLING CODE 4910–60–P

DEPARTMENT OF TRANSPORTATION

Pipeline and Hazardous Materials Safety Administration

49 CFR Part 195

[Docket No. PHMSA–2026–1550]

RIN 2137–AG54

Pipeline Safety: Remote Monitoring of Hazardous Liquid Pipeline Rectifiers

AGENCY: Pipeline and Hazardous Materials Safety Administration (PHMSA), Department of Transportation (DOT).

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: This NPRM proposes to clarify that required electrical checks of rectifiers and other cathodic protection equipment may be performed remotely on hazardous liquid and carbon dioxide pipelines. This proposal is consistent with standards previously adopted for gas transmission pipelines.

DATES: Comments must be received on or before June 23, 2026.

ADDRESSES: You may submit comments identified by the Docket Number PHMSA–2026–1550 using any of the following methods:

E-Gov Web: <https://www.regulations.gov>. This site allows the public to enter comments on any Federal Register notice issued by any agency. Follow the online instructions for submitting comments.

Mail: Docket Management System: U.S. Department of Transportation, 1200 New Jersey Avenue SE, West Building Ground Floor, Room W12–140, Washington, DC 20590–0001.

Hand Delivery: U.S. DOT Docket Management System: 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.

For commenting instructions and additional information about commenting, see **SUPPLEMENTARY INFORMATION**.

FOR FURTHER INFORMATION CONTACT: Sayler Palabrica, Transportation Specialist, 1200 New Jersey Avenue SE,

Washington, DC 20590, 202–744–0825, sayler.palabrica@dot.gov.

SUPPLEMENTARY INFORMATION:

I. General Discussion

Steel pipelines are subject to corrosion, a natural process that causes metal materials to deteriorate through an electrochemical reaction known as oxidation. Cathodic protection systems prevent corrosion by applying a continuous electrical current to the pipeline using a device called a rectifier. Rectifiers and other similar devices must operate continuously to prevent corrosion.

PHMSA has prescribed requirements for the use of these devices in 49 CFR 195.573(c). Section 195.573(c) requires an operator of a hazardous liquid or carbon dioxide pipeline to conduct periodic electrical checks of cathodic protection devices for proper performance. Rectifiers, reverse current switches, diodes, and interference bonds whose failure would jeopardize structural protection must be checked at least six times each year (with intervals between checks not exceeding 2½ months), and other interference bonds must be checked at least once a year, but with intervals not exceeding 15 months.

PHMSA proposes to clarify that an operator can perform these checks remotely, provided the device is physically inspected at least once each year. PHMSA proposed a similar amendment in a prior rulemaking proceeding (85 FR 21140 (Apr. 16, 2020); PHMSA–2018–0047) and is renewing that proposal in this proceeding to align with the comparable requirements for gas transmission pipelines (86 FR 2210 (Jan. 11, 2021)). PHMSA notes that its enforcement guidance indicates that these checks may be performed remotely, provided the device is periodically calibrated or checked for accuracy.¹ PHMSA further notes that stakeholders have recently submitted comments in response to a request for information (90 FR 14593 (Apr. 3, 2025)) urging the agency to authorize explicitly the remote monitoring of rectifiers on hazardous liquid pipelines by aligning the requirements with similar revisions made to the gas transmission pipeline corrosion control monitoring requirements in 49 CFR 192.465(b).² For

gas transmission pipelines, § 192.465(b) allows remote monitoring provided the device is physically inspected once each year.

PHMSA agrees with the commenters and proposes to revise the monitoring requirements in § 195.573(c) to align with the gas transmission pipeline requirements in § 192.465(b). The revised monitoring requirements acknowledge that remote monitoring is an acceptable method for performing required electrical checks to verify that adequate amperage and voltage levels needed to provide cathodic protection are maintained, provided the device is physically inspected for continued safe and reliable operation at least once each calendar year with an interval between inspections not exceeding 15 months. However, the proposed amendment to § 195.573 does not include language from § 192.465 specifying remote measurement or onsite inspection as allowable inspection methods, to avoid being overly restrictive. As an alternative to the existing gas transmission language regarding annual physical inspections, PHMSA requests comments on whether the language in the enforcement guidance for hazardous liquid pipeline corrosion indicating that remotely monitored devices be “periodically calibrated or checked for accuracy” provides more clarity. PHMSA could also consider adopting language from relevant consensus standards.

Consistent with current Government Publishing Office policy, the NPRM numbers the revised table in § 195.573(c). Section 195.573(b)(2) also includes a table specifying evaluation frequencies for unprotected pipe before and after December 29, 2003. Since the deadline for that change in operations and maintenance procedures has long passed, PHMSA proposes an editorial amendment to eliminate reference to the pre-2003 requirements rather than renumbering the existing table.

Commenting Instructions: Please include the docket number PHMSA–2026–1550 at the beginning of your comments. If you submit your comments by mail, submit two copies. If you wish to receive confirmation that PHMSA received your comments, include a self-addressed stamped postcard. Internet users may submit comments at <https://www.regulations.gov>.

Note: Comments are posted without changes or edits to <https://www.regulations.gov>, including any personal information provided. There is a privacy statement published on <https://www.regulations.gov>.

Privacy Act: In accordance with 5 U.S.C. § 553(c), DOT solicits comments from the public to inform its rulemaking process. DOT posts these comments, without edit, including any personal information the commenter provides, to <https://www.regulations.gov>, as described in the system of records notice (DOT/ALL–14 FDMS), which can be reviewed at <https://www.dot.gov/privacy>.

Confidential Business Information: Confidential Business Information (CBI) is commercial or financial information that is both customarily and actually treated as private by its owner. Under the Freedom of Information Act (FOIA, 5 U.S.C. § 552), CBI is exempt from public disclosure. It is important that you clearly designate the comments submitted as CBI if: your comments responsive to this document contain commercial or financial information that is customarily treated as private; you actually treat such information as private; and your comment is relevant or responsive to this notice. Pursuant to 49 CFR 190.343, you may ask PHMSA to provide confidential treatment to information you give to the agency by taking the following steps: (1) mark each page of the original document submission containing CBI as “Confidential;” (2) send PHMSA, along with the original document, a second copy of the original document with the CBI deleted; and (3) explain why the information that you are submitting is CBI. Submissions containing CBI should be sent to Sayler Palabrica, Office of Pipeline Safety Standards and Rulemaking Division, Pipeline and Hazardous Materials Safety Administration (PHMSA), 2nd Floor, 1200 New Jersey Avenue SE, Washington, DC 20590–0001, or by email at sayler.palabrica@dot.gov. Any materials PHMSA receives that is not specifically designated as CBI will be placed in the public docket.

Docket: For access to the docket to read background documents or comments received, go to <http://www.regulations.gov>. Follow the online instructions for accessing the docket. Alternatively, you may review the documents in person at the street address listed above.

II. Regulatory Analysis and Notices

A. Legal Authority

This proposed rule is published under the authority of the Secretary of Transportation set forth in the Federal Pipeline Safety Laws (49 U.S.C. § 60101 *et seq.*) and delegated to the PHMSA Administrator pursuant to 49 CFR 1.97.

¹ PHMSA, *Part 195 Corrosion Enforcement Guidance*, at 59 (June 22, 2016). <https://www.phmsa.dot.gov/pipeline/enforcement/corrosion-enforcement-guidance-part-195>.

² American Petroleum Institute and the Liquid Energy Pipeline Association, “Comments on Ensuring Lawful Regulation; Reducing Regulation and Controlling Regulatory Costs” at 8 (May 5, 2025), <https://www.regulations.gov/comment/DOT-OST-2025-0026-0874>.

B. Statutory Requirement and Executive Order 12866

The Federal Pipeline Safety Laws (49 U.S.C. 60102(b)) require that PHMSA prepare a risk assessment that identifies the costs and benefits associated with a proposed regulatory change. E.O. 12866, *Regulatory Planning and Review*, as implemented by DOT Order 2100.6B (“Policies and Procedures for Rulemaking”) and DOT Order 2100.7 (“Ensuring Reliance upon Sound Economic Analysis in Department of Transportation Policies, Programs, and Activities”), requires agencies to regulate in the “most cost-effective manner,” to make a “reasoned determination that the benefits of the intended regulation justify its costs,” and to develop regulations that “impose the least burden on society.” In arriving at those conclusions, E.O. 12866 requires that agencies should consider “both quantifiable measures . . . and qualitative measures of costs and benefits that are difficult to quantify” and “maximize net benefits . . . unless a statute requires another regulatory approach.” E.O. 12866 also requires that “agencies should assess all costs and benefits of available regulatory alternatives, including the alternative of not regulating.” DOT Order 2100.6B directs that PHMSA and other Operating Administrations must generally choose the “least costly regulatory alternative that achieves the relevant objectives” unless required by law or compelling safety need. DOT Order 2100.6B also specifies that regulations should generally “not be issued unless their benefits are expected to exceed their costs.” DOT Order 2100.7 requires that “all rulemaking activities shall be based on sound economic principles and analysis supported by rigorous cost-benefit requirement.”

E.O. 12866 and DOT Order 2100.6B also require that PHMSA submit “significant regulatory actions” to the Office of Information and Regulatory Affairs (OIRA) within the Executive Office of the President’s Office of Management and Budget (OMB) for review. This proposed rule is a not significant regulatory action pursuant to E.O. 12866; OMB also has not designated this rule as a “major rule” as defined by the Congressional Review Act (5 U.S.C. 801 *et seq.*).

PHMSA has complied with the procedural and analytical requirements in E.O. 12866 as implemented by DOT Order 2100.6B and DOT Order 2100.7, as well as the requirements in 49 U.S.C. 60102(b) and preliminarily determined that this proposed rule will not impose costs since it codifies existing

enforcement guidance that remote monitoring of rectifiers on hazardous liquid and carbon dioxide pipelines is allowed. The proposed rule would result in greater regulatory certainty, and to the extent that it encourages operators to use cost-effective remote monitoring methods, it may result in modest cost savings. The cost savings of this rulemaking could not be quantified because PHMSA does not have information on how operators currently monitor rectifiers. PHMSA also preliminarily determined that the proposed rule will not have any adverse safety impacts since the annual physical inspection ensures remote monitoring devices are functioning properly.

C. Executive Orders 14192 and 14219

This proposed rule, if finalized as proposed, is expected to be a deregulatory action pursuant to E.O. 14192, *Unleashing Prosperity Through Deregulation*. PHMSA estimates that the total costs of the NPRM on the regulated community will be less than zero. Nor does this rulemaking implicate any of the factors identified in section 2(a) of E.O. 14219, *Ensuring Lawful Governance and Implementing the President’s “Department of Government Efficiency” Deregulatory Initiative*, indicative that a regulation is “unlawful . . . [or] that undermine[s] the national interest.”

D. Energy-Related Executive Orders 13211, 14154, and 14156

The President has declared in E.O. 14156, *Declaring a National Energy Emergency*, a national emergency to address America’s inadequate energy development production, transportation, refining, and generation capacity. Similarly, E.O. 14154, *Unleashing American Energy*, asserts a Federal policy to unleash American energy by ensuing access to abundant supplies of reliable, affordable energy from (inter alia) the removal of “undue burden[s]” on the identification, development, or use of domestic energy resources such as PHMSA-jurisdictional gases and hazardous liquids. PHMSA preliminarily finds this proposed rule is consistent with each of E.O. 14156 and E.O. 14154. The proposed rule will give affected pipeline operators regulatory certainty when using remote monitoring technologies. This encourages the adoption of remote monitoring, which can result in lower costs for inspection and maintenance activities. PHMSA therefore expects the regulatory amendments in this proposed rule will in turn improve pipeline operators’ ability to provide abundant, reliable, affordable petroleum, petroleum

products, and other hazardous liquids in response to residential, commercial, and industrial demand.

However, this proposed rule is not a “significant energy action” under E.O. 13211, *Actions Concerning Regulations That Significantly Affect Energy Supply, Distribution, or Use*, which requires Federal agencies to prepare a Statement of Energy Effects for any “significant energy action.” Because this proposed rule is not a significant action under E.O. 12866, it will not have a significant adverse effect on supply, distribution, or energy use; OIRA has therefore not designated this proposed rule as a significant energy action.

E. Executive Order 13132: Federalism

PHMSA analyzed this proposed rule in accordance with the principles and criteria contained in E.O. 13132, *Federalism*, and the Presidential Memorandum (“Preemption”) published in the **Federal Register** on May 22, 2009. E.O. 13132 requires agencies to assure meaningful and timely input by State and local officials in the development of regulatory policies that may have “substantial direct effects on the States, on the relationship between the National Government and the States, or on the distribution of power and responsibilities among the various levels of government.”

While the proposed rule may (when finalized) operate to preempt some State requirements, it would not impose any regulation that has substantial direct effects on the States, the relationship between the National Government and the States, or the distribution of power and responsibilities among the various levels of government. Section 60104(c) of the Federal Pipeline Safety Laws prohibits certain State safety regulation of interstate pipelines. Under the Federal Pipeline Safety Laws, States that have submitted a current certification under section 60105(a) can augment Federal pipeline safety requirements for intrastate pipelines regulated by PHMSA but may not approve safety requirements less stringent than those required by Federal law. A State may also regulate an intrastate pipeline facility that PHMSA does not regulate. The preemptive effect of the regulatory amendments in this proposed rule is limited to the minimum level necessary to achieve the objectives of the Federal Pipeline Safety Laws. Therefore, the consultation and funding requirements of E.O. 13132 do not apply.

F. Regulatory Flexibility Act

The Regulatory Flexibility Act (RFA, 5 U.S.C. 601 *et seq.*) requires Federal

agencies to conduct an Initial Regulatory Flexibility Analysis (IRFA) for a proposed rule subject to notice-and-comment rulemaking unless the agency head certifies that the proposed rule in the rulemaking will not have a significant economic impact on a substantial number of small entities. E.O. 13272, *Proper Consideration of Small Entities in Agency Rulemaking*, obliges agencies to establish procedures promoting compliance with the RFA. DOT posts its implementing guidance on a dedicated web page.³ This proposed rule was developed in accordance with E.O. 13272 and DOT implementing guidance to ensure compliance with the RFA. The proposed rule is expected to reduce regulatory burdens by clarifying that operators are allowed to monitor rectifiers on hazardous liquid pipelines remotely. Further, the changes proposed here are not expected to impose additional burdens on any operator. Therefore, PHMSA certifies the proposed rule (if finalized) will not have a significant impact on a substantial number of small entities.

G. Unfunded Mandates Reform Act of 1995

The Unfunded Mandates Reform Act (UMRA, 2 U.S.C. § 1501 *et seq.*) requires agencies to assess the effects of Federal regulatory actions on State, local, and Tribal governments, and the private sector. For any proposed or final rule that includes a Federal mandate that may result in the expenditure by State, local, and Tribal governments, in the aggregate of \$100 million or more in 1996 dollars (\$203 million in 2024 dollars) in any given year, the agency must prepare, amongst other things, a written statement that qualitatively and quantitatively assesses the costs and benefits of the Federal mandate.

This proposed rule does not impose unfunded mandates under UMRA. PHMSA does not expect the proposed rule will result in costs of \$100 million or more (in 1996 dollars) per year for either State, local, or Tribal governments, or to the private sector.

H. National Environmental Policy Act

The National Environmental Policy Act (NEPA, 42 U.S.C. § 4321 *et seq.*) requires that Federal agencies assess and consider the impact of major Federal actions on the human and natural environment.

PHMSA analyzed this proposed rule in accordance with NEPA and issues

this draft Finding of No Significant Impact (FONSI) because it has preliminarily determined that the rulemaking will not adversely affect safety and will not significantly affect the quality of the human and natural environment. The public is invited to comment on the impact of the proposed action.

I. Executive Order 13175

PHMSA analyzed this proposed rule according to the principles and criteria in E.O. 13175, *Consultation and Coordination with Indian Tribal Governments*, and DOT Order 5301.1A (“Department of Transportation Tribal Consultation Policies and Procedures”). E.O. 13175 requires agencies to assure meaningful and timely input from Tribal government representatives in the development of rules that significantly or uniquely affect Tribal communities by imposing “substantial direct compliance costs” or “substantial direct effects” on such communities or the relationship or distribution of power between the Federal Government and Tribes.

PHMSA assessed the impact of the proposed rule and determined that it will not significantly or uniquely affect Tribal communities or Indian Tribal governments. The rulemaking’s regulatory amendments have a broad, national scope; therefore, this proposed rule will not significantly or uniquely affect Tribal communities, much less impose substantial compliance costs on Native American Tribal governments or mandate Tribal action. For these reasons, PHMSA has concluded that the funding and consultation requirements of E.O. 13175 and DOT Order 5301.1A do not apply.

J. Paperwork Reduction Act

The Paperwork Reduction Act (44 U.S.C. § 3501 *et seq.*) and its implementing regulations at 5 CFR 1320.8(d) requires that PHMSA provide interested members of the public and affected agencies with an opportunity to comment on information collection and recordkeeping requests. This rulemaking will not create, amend, or rescind any existing information collections.

K. Executive Order 13609 and International Trade Analysis

E.O. 13609, *Promoting International Regulatory Cooperation*, requires agencies to consider whether the impacts associated with significant variations between domestic and international regulatory approaches are unnecessary or may impair the ability of American business to export and

compete internationally. In meeting shared challenges involving health, safety, labor, security, environmental, and other issues, international regulatory cooperation can identify approaches that are at least as protective as those that are or would be adopted in the absence of such cooperation. International regulatory cooperation can also reduce, eliminate, or prevent unnecessary differences in regulatory requirements.

Similarly, the Trade Agreements Act of 1979 (Pub. L. 96–39), as amended by the Uruguay Round Agreements Act (Pub. L. 103–465), prohibits Federal agencies from establishing any standards or engaging in related activities that create unnecessary obstacles to the foreign commerce of the United States. For purposes of these requirements, Federal agencies may participate in the establishment of international standards, so long as the standards have a legitimate domestic objective, such as providing for safety, and do not operate to exclude imports that meet this objective. The statute also requires consideration of international standards and, where appropriate, that they be the basis for U.S. standards.

PHMSA engages with international standards setting bodies to protect the safety of the American public. PHMSA has assessed the effects of the proposed rule and has determined that its proposed regulatory amendments will not cause unnecessary obstacles to foreign trade.

L. Cybersecurity and Executive Order 14028

E.O. 14028, *Improving the Nation’s Cybersecurity*, directs the Federal Government to improve its efforts to identify, to deter, and to respond to “persistent and increasingly sophisticated malicious cyber campaigns.” PHMSA has considered the effects of the proposed rule and has determined that its proposed regulatory amendments would not materially affect the cybersecurity risk profile for pipeline facilities.

List of Subjects in 49 CFR Part 195

Pipeline safety.

For the reasons set forth in the preamble, PHMSA proposes to amend 49 CFR part 195 as follows:

PART 195—TRANSPORTATION OF HAZARDOUS LIQUIDS BY PIPELINE

■ 1. The authority citation for 49 CFR Part 195 continues to read as follows:

Authority: 30 U.S.C. 185(w)(3), 49 U.S.C. 5103, 60101 *et seq.*, and 49 CFR 1.97.

³ DOT, *Rulemaking Requirements Concerning Small Entities*, <https://www.transportation.gov/regulations/rulemaking-requirements-concerning-small-entities>.

■ 2. In § 195.573, revise paragraphs (b)(2) and (c) to read as follows:

§ 195.573 What must I do to monitor external corrosion control?

* * * * *

(b) * * *

(2) Reevalue at least once every 3 calendar years, but with intervals not exceeding 39 months.

(c) *Rectifiers and other devices.* Electrically check rectifiers and other devices to ensure adequate amperage and voltage levels needed to provide cathodic protection are maintained in

accordance with the frequency specified in Table 1 to § 195.573. For devices electrically checked remotely, also physically inspect the device for continued safe and reliable operation at least once each calendar year, but with intervals not exceeding 15 months.

TABLE 1—TO § 195.573

Device	Check frequency
(1) Rectifier, reverse current switch, diode, or interference bond whose failure would jeopardize structural protection.	At least six times each calendar year, but with intervals not exceeding 2½ months.
(2) Other interference bonds	At least once each calendar year, but with intervals not exceeding 15 months.

* * * * *

Issued in Washington, DC, on April 22, 2026, under the authority delegated in 49 CFR 1.97.

Paul J. Roberti,
Administrator.

[FR Doc. 2026–08068 Filed 4–23–26; 8:45 am]

BILLING CODE 4910–60–P

DEPARTMENT OF TRANSPORTATION

Pipeline and Hazardous Materials Safety Administration

49 CFR Part 195

[Docket No. PHMSA–2026–1554]

RIN 2137–AG58

Pipeline Safety: Hazardous Liquid Valve Maintenance Schedule

AGENCY: Pipeline and Hazardous Materials Safety Administration (PHMSA), Department of Transportation (DOT).

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: This NPRM proposes to allow operators of hazardous liquid and carbon dioxide pipelines to determine a valve inspection schedule with a maximum valve inspection interval of 1 year, not to exceed 15 months.

DATES: Comments must be received on or before June 23, 2026.

ADDRESSES: You may submit comments identified by the Docket Number PHMSA–2026–1554 using any of the following methods:

E-Gov Web: <https://www.regulations.gov>. This site allows the public to enter comments on any **Federal Register** notice issued by any agency. Follow the online instructions for submitting comments.

Mail: Docket Management System: U.S. Department of Transportation, 1200

New Jersey Avenue SE, West Building Ground Floor, Room W12–140, Washington, DC 20590–0001.

Hand Delivery: U.S. DOT Docket Management System: 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.

For commenting instructions and additional information about commenting, see **SUPPLEMENTARY INFORMATION**.

FOR FURTHER INFORMATION CONTACT: Robert Jagger, Senior Transportation Specialist, by telephone at 202–557–6765 or by email at robert.jagger@dot.gov.

SUPPLEMENTARY INFORMATION:

I. General Discussion

This NPRM proposes to harmonize the valve inspection intervals for pipeline facilities. Hazardous liquid and carbon dioxide pipeline operators are required to, “at least twice each calendar year, but at intervals not exceeding 7½ months, inspect each mainline valve to determine that it is functioning properly” in accordance with 49 CFR 195.420(b). Section 192.745(a), however, only requires gas transmission pipeline operators to inspect and partially operate “[e]ach transmission line valve that might be required during any emergency . . . at intervals not exceeding 15 months, but at least once each calendar year.”

PHMSA received comment from the American Petroleum Institute (API), the Liquid Energy Pipeline Association (LEPA), and GPA Midstream (GPA) on both the “Mandatory Regulatory Reviews to Unleash American Energy and Improve Government Efficiency” advance notice of proposed

rulemaking¹ and the DOT request for information,² requesting that PHMSA align the Part 195 valve maintenance requirements with current Part 192 regulations. Specifically, API, LEPA, and GPA stated that “PHMSA should delete unnecessary detail and allow the inspection schedule to run off of maintenance records, age, risk, and other relevant factors.”^{3 4}

PHMSA agrees with API, LEPA, and GPA and is proposing to amend § 195.420(b) to require hazardous liquid and carbon dioxide pipeline operators to inspect each mainline valve to determine it is functioning properly at least once each calendar year, but at intervals not exceeding 15 months. Harmonizing requirements between pipeline operators who operate both types of systems will simplify compliance, reduce regulatory burdens, and provide cost savings without compromising safety. Of the 554 hazardous liquid and carbon dioxide pipeline operators and 1,040 gas transmission pipeline operators, a total of 124 operate both system types. PHMSA expects this change will reduce confusion for these operators in addition to reducing burdens for all operators of hazardous liquid and carbon dioxide pipelines.

¹ PHMSA, *Advance Notice of Proposed Rulemaking: Pipeline Safety: Mandatory Regulatory Reviews to Unleash American Energy and Improve Government Efficiency*, 90 FR 2660 (Jun. 4, 2025).

² Office of the Secretary, DOT, *Request for Information: Ensuring Lawful Regulation; Reducing Regulation and Controlling Regulatory Costs*, 90 FR 14593 (Apr. 3, 2025).

³ API and LEPA, “Re: Comments on Ensuring Lawful Regulation; Reducing Regulation and Controlling Regulatory Costs” at 7, 18 (May 5, 2025), <https://www.regulations.gov/comment/DOT-OST-2025-0026-0874>.

⁴ API et al., “Comments in Response to ‘Mandatory Regulatory Reviews to Unleash American Energy and Improve Government Efficiency’ Advance Notice of Proposed Rulemaking” at 54 (Aug. 4, 2025), <https://www.regulations.gov/comment/PHMSA-2025-0050-0058>.

Commenting Instructions: Please include the docket number PHMSA–2026–1554 at the beginning of your comments. If you submit your comments by mail, submit two copies. If you wish to receive confirmation that PHMSA received your comments, include a self-addressed stamped postcard. Internet users may submit comments at <https://www.regulations.gov>.

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Docket: For access to the docket to read background documents or comments received, go to <http://www.regulations.gov>. Follow the online instructions for accessing the docket. Alternatively, you may review the documents in person at the street address listed above.

II. Regulatory Analysis and Notices

A. Legal Authority

This proposed rule is published under the authority of the Secretary of Transportation set forth in the Federal Pipeline Safety Laws (49 U.S.C. 60101 *et seq.*) and delegated to the PHMSA Administrator pursuant to 49 CFR 1.97.

B. Statutory Requirement and Executive Order 12866

The Federal Pipeline Safety Laws (49 U.S.C. 60102(b)) require that PHMSA prepare a risk assessment that identifies the costs and benefits associated with a proposed regulatory change. E.O. 12866, *Regulatory Planning and Review*, as implemented by DOT Order 2100.6B (“Policies and Procedures for Rulemaking”) and DOT Order 2100.7 (“Ensuring Reliance upon Sound Economic Analysis in Department of Transportation Policies, Programs, and Activities”), requires agencies to regulate in the “most cost-effective manner,” to make a “reasoned determination that the benefits of the intended regulation justify its costs,” and to develop regulations that “impose the least burden on society.” In arriving at those conclusions, E.O. 12866 requires that agencies should consider “both quantifiable measures . . . and qualitative measures of costs and benefits that are difficult to quantify” and “maximize net benefits . . . unless a statute requires another regulatory approach.” E.O. 12866 also requires that “agencies should assess all costs and benefits of available regulatory alternatives, including the alternative of not regulating.” DOT Order 2100.6B directs that PHMSA and other Operating Administrations must generally choose the “least costly regulatory alternative that achieves the relevant objectives” unless required by law or compelling safety need. DOT Order 2100.6B also specifies that regulations should generally “not be issued unless their benefits are expected to exceed their costs” unless required by law or compelling safety need. DOT Order 2100.7 requires that “all rulemaking activities shall be based on sound economic principles and analysis supported by rigorous cost-benefit requirement.”

E.O. 12866 and DOT Order 2100.6B also require that PHMSA submit “significant regulatory actions” to the Office of Information and Regulatory Affairs (OIRA) within the Executive Office of the President’s Office of Management and Budget (OMB) for review. This NPRM is a not significant regulatory action pursuant to E.O. 12866; OMB also has not designated this NPRM as a “major rule” as defined by the Congressional Review Act (5 U.S.C. 801 *et seq.*).

PHMSA has complied with the procedural and analytical requirements in E.O. 12866 as implemented by DOT Order 2100.6B and DOT Order 2100.7, as well as the requirements in 49 U.S.C. 60102(b), and preliminarily determined that this proposed rule will result in cost savings by reducing regulatory burdens for hazardous liquid facility operators by harmonizing the hazardous liquid valve maintenance requirements with the gas transmission valve maintenance requirements and ultimately relaxing them from the current standard. The accompanying Preliminary Regulatory Impact Analysis provides detailed estimates of the potential cost savings from the updated valve inspection frequency. PHMSA estimates that the changes in the proposed rule would result in cost savings of \$377,147 annually. PHMSA expects these cost savings may also result in reduced costs for the public to whom pipeline operators generally transfer a portion of their compliance costs. PHMSA also preliminarily determined that the proposed rule will not have adverse effects on safety based on analysis of incident data for hazardous liquid and gas transmission pipelines.

C. Executive Orders 14192 and 14219

This proposed rule, if finalized as proposed, is expected to be a deregulatory action pursuant to E.O. 14192, *Unleashing Prosperity Through Deregulation*. PHMSA estimates that the total costs of the NPRM on the regulated community will be less than zero. Nor does this rulemaking implicate any of the factors identified in section 2(a) of E.O. 14219, *Ensuring Lawful Governance and Implementing the President’s “Department of Government Efficiency” Deregulatory Initiative*, indicative that a regulation is “unlawful . . . [or] that undermine[s] the national interest.”

D. Energy-Related Executive Orders 13211, 14154, and 14156

The President has declared in E.O. 14156, *Declaring a National Energy Emergency*, a national emergency to

address America's inadequate energy development production, transportation, refining, and generation capacity. Similarly, E.O. 14154, *Unleashing American Energy*, asserts a Federal policy to unleash American energy by ensuring access to abundant supplies of reliable, affordable energy from (inter alia) the removal of "undue burden[s]" on the identification, development, or use of domestic energy resources such as PHMSA-jurisdictional gases and hazardous liquids. PHMSA preliminarily finds this proposed rule is consistent with each of E.O. 14156 and E.O. 14154. The proposed rule will give affected pipeline operators relief from valve maintenance requirements. PHMSA therefore expects the regulatory amendments in this proposed rule will in turn increase national pipeline transportation capacity and improve pipeline operators' ability to provide abundant, reliable, affordable hazardous liquid in response to residential, commercial, and industrial demand.

However, this proposed rule is not a "significant energy action" under E.O. 13211, *Actions Concerning Regulations That Significantly Affect Energy Supply, Distribution, or Use*, which requires Federal agencies to prepare a Statement of Energy Effects for any "significant energy action." Because this proposed rule is not a significant action under E.O. 12866, it will not have a significant adverse effect on supply, distribution, or energy use.

E. Executive Order 13132: Federalism

PHMSA analyzed this proposed rule in accordance with the principles and criteria contained in E.O. 13132, *Federalism*, and the Presidential Memorandum ("Preemption") published in the **Federal Register** on May 22, 2009. E.O. 13132 requires agencies to assure meaningful and timely input by State and local officials in the development of regulatory policies that may have "substantial direct effects on the States, on the relationship between the National Government and the States, or on the distribution of power and responsibilities among the various levels of government."

While the proposed rule may (when finalized) operate to preempt some State requirements, it would not impose any regulation that has substantial direct effects on the States, the relationship between the National Government and the States, or the distribution of power and responsibilities among the various levels of government. Section 60104(c) of the Federal Pipeline Safety Laws prohibits certain State safety regulation of interstate pipelines. Under the

Federal Pipeline Safety Laws, States that have submitted a current certification under section 60105(a) can augment Federal pipeline safety requirements for intrastate pipelines regulated by PHMSA but may not approve safety requirements less stringent than those required by Federal law. A State may also regulate an intrastate pipeline facility that PHMSA does not regulate. The preemptive effect of the regulatory amendments in this proposed rule is limited to the minimum level necessary to achieve the objectives of the Federal Pipeline Safety Laws. Therefore, the consultation and funding requirements of E.O. 13132 do not apply.

F. Regulatory Flexibility Act

The Regulatory Flexibility Act (RFA, 5 U.S.C. 601 *et seq.*) requires Federal agencies to conduct an Initial Regulatory Flexibility Analysis (IRFA) for a proposed rule subject to notice-and-comment rulemaking unless the agency head certifies that the proposed rule in the rulemaking will not have a significant economic impact on a substantial number of small entities. E.O. 13272, *Proper Consideration of Small Entities in Agency Rulemaking*, obliges agencies to establish procedures promoting compliance with the RFA. DOT posts its implementing guidance on a dedicated web page.⁵ This proposed rule was developed in accordance with E.O. 13272 and DOT implementing guidance to ensure compliance with the RFA. The proposed rule is expected to reduce regulatory burdens by harmonizing the valve inspection frequency for hazardous liquid and carbon dioxide pipelines with the valve inspection frequency for gas transmission pipelines. Further, the changes proposed here are not expected to impose additional burdens on any operator. Therefore, PHMSA certifies the proposed rule (if finalized) will not have a significant impact on a substantial number of small entities.

G. Unfunded Mandates Reform Act of 1995

The Unfunded Mandates Reform Act (UMRA, 2 U.S.C. 1501 *et seq.*) requires agencies to assess the effects of Federal regulatory actions on State, local, and Tribal governments, and the private sector. For any proposed or final rule that includes a Federal mandate that may result in the expenditure by State, local, and Tribal governments, in the aggregate of \$100 million or more in

1996 dollars (\$203 million in 2024 dollars) in any given year, the agency must prepare, amongst other things, a written statement that qualitatively and quantitatively assesses the costs and benefits of the Federal mandate.

This proposed rule does not impose unfunded mandates under UMRA. PHMSA does not expect the proposed rule will result in costs of \$100 million or more (in 1996 dollars) per year for either State, local, or Tribal governments, or to the private sector.

H. National Environmental Policy Act

The National Environmental Policy Act (NEPA, 42 U.S.C. 4321 *et seq.*) requires that Federal agencies assess and consider the impact of major Federal actions on the human and natural environment.

PHMSA analyzed this proposed rule in accordance with NEPA and issues this draft Finding of No Significant Impact (FONSI). Changing the frequency of the minimum inspection interval does not absolve hazardous liquid pipeline operators of the requirement to maintain each valve necessary for the safe operation of their pipeline systems so it complies with pertinent design (including §§ 195.116 and 195.258) and operational requirements (including §§ 195.401 and 195.419) at all times. Therefore, PHMSA has preliminarily determined that the rulemaking will not adversely affect safety and will not significantly affect the quality of the human and natural environment. The public is invited to comment on the impact of the proposed action.

I. Executive Order 13175

PHMSA analyzed this proposed rule according to the principles and criteria in E.O. 13175, *Consultation and Coordination with Indian Tribal Governments*, and DOT Order 5301.1A ("Department of Transportation Tribal Consultation Policies and Procedures"). E.O. 13175 requires agencies to assure meaningful and timely input from Tribal government representatives in the development of rules that significantly or uniquely affect Tribal communities by imposing "substantial direct compliance costs" or "substantial direct effects" on such communities or the relationship or distribution of power between the Federal Government and Tribes.

PHMSA assessed the impact of the proposed rule and determined that it will not significantly or uniquely affect Tribal communities or Indian Tribal governments. The rulemaking's regulatory amendments have a broad, national scope; therefore, this proposed rule will not significantly or uniquely

⁵ DOT, *Rulemaking Requirements Concerning Small Entities*, <https://www.transportation.gov/regulations/rulemaking-requirements-concerning-small-entities>.

affect Tribal communities, much less impose substantial compliance costs on Native American Tribal governments or mandate Tribal action. For these reasons, PHMSA has concluded that the funding and consultation requirements of E.O. 13175 and DOT Order 5301.1A do not apply.

J. Paperwork Reduction Act

The Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*) and its implementing regulations at 5 CFR 1320.8(d) requires that PHMSA provide interested members of the public and affected agencies with an opportunity to comment on information collection and recordkeeping requests. This rulemaking will not create, amend, or rescind any existing information collections.

K. Executive Order 13609 and International Trade Analysis

E.O. 13609, *Promoting International Regulatory Cooperation*, requires agencies to consider whether the impacts associated with significant variations between domestic and international regulatory approaches are unnecessary or may impair the ability of American business to export and compete internationally. In meeting shared challenges involving health, safety, labor, security, environmental, and other issues, international regulatory cooperation can identify approaches that are at least as protective as those that are or would be adopted in the absence of such cooperation. International regulatory cooperation can also reduce, eliminate, or prevent unnecessary differences in regulatory requirements.

Similarly, the Trade Agreements Act of 1979 (Pub. L. 96–39), as amended by the Uruguay Round Agreements Act (Pub. L. 103–465), prohibits Federal agencies from establishing any standards or engaging in related activities that create unnecessary obstacles to the foreign commerce of the United States. For purposes of these requirements, Federal agencies may participate in the establishment of international standards, so long as the standards have a legitimate domestic objective, such as providing for safety, and do not operate to exclude imports that meet this objective. The statute also requires consideration of international standards and, where appropriate, that they be the basis for U.S. standards.

PHMSA engages with international standards setting bodies to protect the safety of the American public. PHMSA has assessed the effects of the proposed rule and has determined that its proposed regulatory amendments will not cause unnecessary obstacles to foreign trade.

L. Cybersecurity and Executive Order 14028

E.O. 14028, *Improving the Nation's Cybersecurity*, directs the Federal Government to improve its efforts to identify, to deter, and to respond to “persistent and increasingly sophisticated malicious cyber campaigns.” PHMSA has considered the effects of the proposed rule and has determined that its proposed regulatory amendments would not materially affect the cybersecurity risk profile for pipeline facilities.

List of Subjects in 49 CFR Part 195

Pipeline safety.

For the reasons set forth above, PHMSA proposes to amend 49 CFR part 195 as follows:

PART 195—TRANSPORTATION OF HAZARDOUS LIQUIDS BY PIPELINE

■ 1. The authority citation for 49 CFR part 195 continues to read as follows:

Authority: 30 U.S.C. 185(w)(3), 49 U.S.C. 5103, 60101 *et seq.*, and 49 CFR 1.97.

■ 2. In § 195.420, revise paragraph (b) to read as follows:

§ 195.420 Valve maintenance.

* * * * *

(b) Each operator must, at least once each calendar year, but at intervals not exceeding 15 months, inspect each mainline valve to determine that it is functioning properly. Each rupture-mitigation valve (RMV), as defined in § 195.2 and not contained in a gathering line, or alternative equivalent technology that is installed in accordance with §§ 195.258(c) or 195.418, must also be partially operated. Operators are not required to close the valve fully during the inspection; a minimum 25 percent valve closure is sufficient to demonstrate compliance, unless the operator has operational information that requires an additional closure percentage for maintaining reliability.

* * * * *

Issued in Washington, DC, on April 22, 2026, under the authority delegated in 49 CFR 1.97.

Paul J. Roberti,
Administrator.

[FR Doc. 2026–08077 Filed 4–23–26; 8:45 am]

BILLING CODE 4910–60–P

Notices

Federal Register

Vol. 91, No. 79

Friday, April 24, 2026

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

International Trade Administration

[A-570-188]

Float Glass Products From the People's Republic of China: Antidumping Duty Order

In notice document 2026-06647, appearing on page 17250 in the issue of Monday, April 6, 2026, make the following correction:

In the table that appears on page 17251, in the fourth column, on the seventh and eighth lines from the bottom of the page, “Tengzhou Yichuang Commercial Trading Co., Ltd.” and “Xiamen Guorui Hengsheng Advanced Materials Co., Ltd.,” both Cash Deposit Rates are corrected to read, “151.27”.

[FR Doc. C2-2026-06647 Filed 4-23-26; 8:45 am]

BILLING CODE 0099-10-D

DEPARTMENT OF COMMERCE

International Trade Administration

[A-552-849]

Certain Chassis and Subassemblies Thereof From the Socialist Republic of Vietnam: Final Affirmative Determination of Sales at Less Than Fair Value

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

SUMMARY: The U.S. Department of Commerce (Commerce) determines that certain chassis and subassemblies thereof (chassis) from the Socialist Republic of Vietnam (Vietnam) are being, or are likely to be, sold in the United States at less than fair value (LTFV). The period of investigation (POI) is July 1, 2024, through December 31, 2024.

DATES: Applicable April 24, 2026.

FOR FURTHER INFORMATION CONTACT:

Elizabeth Beuley or Benito Ballesteros, AD/CVD Operations, Office IX, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue NW, Washington, DC 20230; telephone: (202) 482-3269 or (202) 482-7425, respectively.

SUPPLEMENTARY INFORMATION:

Background

On September 29, 2025, Commerce published the *Preliminary Determination* in this investigation and invited interested parties to comment.¹ Due to the lapse in appropriations and Federal Government shutdown, on November 14, 2025, Commerce tolled all deadlines in administrative proceedings by 47 days.² Additionally, due to a backlog of documents that were electronically filed via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS) during the Federal Government shutdown, on November 24, 2025, Commerce tolled all deadlines in administrative proceedings by an additional 21 days.³ Accordingly, the deadline for this final determination is now April 20, 2026.

For a complete description of the events that occurred since the *Preliminary Determination*, see the Issues and Decision Memorandum.⁴ The Issues and Decision Memorandum is a public document and is on file electronically via ACCESS. ACCESS is available to registered users at <https://access.trade.gov>. In addition, a complete version of the Issues and Decision

¹ See *Certain Chassis and Subassemblies Thereof from the Socialist Republic of Vietnam: Preliminary Affirmative Determination of Sales at Less Than Fair Value, Postponement of Final Determination, and Extension of Provisional Measures*, 90 FR 46561 (September 29, 2025) (*Preliminary Determination*), and accompanying Preliminary Determination Memorandum.

² See Memorandum, “Deadlines Affected by the Shutdown of the Federal Government,” dated November 14, 2025.

³ See Memorandum, “Tolling of all Case Deadlines,” dated November 24, 2025.

⁴ See Memorandum, “Issues and Decision Memorandum for the Final Affirmative Determination in the Less-Than-Fair-Value Investigation of Certain Chassis and Subassemblies Thereof from the Socialist Republic of Vietnam,” dated concurrently with, and hereby adopted by, this notice (Issues and Decision Memorandum).

Memorandum can be accessed directly at <https://access.trade.gov/frnotices>.

Scope of the Investigation

The products covered by this investigation are chassis from Vietnam. For a complete description of the scope of this investigation, see Appendix I.

Scope Comments

During the course of this investigation, Commerce received scope comments from interested parties. Commerce issued a Preliminary Scope Decision Memorandum to address these comments and set aside a period of time for parties to address scope issues in scope-specific case and rebuttal briefs.⁵ Between August and September 2025, Commerce received scope case and rebuttal briefs from interested parties.⁶ On February 10, 2026, the petitioner requested a scope exclusion.⁷ After analyzing these comments, we made changes to the scope of the investigation published in the *Preliminary Determination*, as noted in Appendix I.⁸

Verification

Commerce conducted verification of the information relied upon in making its final determination in this investigation, as provided in section 782(i) of the Tariff Act of 1930, as amended (the Act). Specifically, in December 2025, we conducted on-site verification of the data reported by Thaco Special Vehicles Manufacturing Limited Company and Thaco Industries Trailers and Heavy Steel Structures Manufacturing Limited Liability Company (collectively, Thaco), using standard verification procedures,

⁵ See Memorandum, “Less Than Fair Value and Countervailing Duty Investigations of Certain Chassis and Subassemblies Thereof from Mexico, Thailand, and the Socialist Republic of Vietnam: Preliminary Scope Decision Memorandum,” dated July 28, 2025 (Preliminary Scope Decision Memorandum).

⁶ See PJ Trailers Seminole Inc.'s Letter, “PJ Trailers Seminole Inc.'s Scope Case Brief,” dated August 27, 2025; see also Hyundai de Mexico S.A. de C.V.'s Letter, “HT's Scope Case Brief,” dated August 27, 2025; and Petitioner's Letter, “Scope Rebuttal Brief,” dated September 5, 2025.

⁷ See Petitioner's Letter, “Request Scope Exclusion,” dated February 10, 2026.

⁸ See Memorandum, “Less Than Fair Value and Countervailing Duty Investigations of Certain Chassis and Subassemblies Thereof from Mexico, Thailand, and the Socialist Republic of Vietnam: Final Scope Decision Memorandum,” dated concurrently with this notice.

including an examination of relevant sales and accounting records.⁹

Analysis of Comments Received

The issues raised in the case and rebuttal briefs by interested parties in this investigation are discussed in the Issues and Decision Memorandum. For a list of the issues addressed in the Issues and Decision Memorandum, see Appendix II.

Changes Since the Preliminary Determination

Based on our review and analysis of the comments received from interested parties, we made certain changes to the margin calculations for Thaco. For a discussion of these changes, see the Issues and Decision Memorandum.

Separate Rates and the Vietnam-Wide Entity

No party commented on Commerce’s preliminary separate rate determination for Thaco. Accordingly, we continue to find that Thaco is eligible for a separate rate. Additionally, because we preliminarily did not find that the Vietnam-wide entity failed to cooperate in this investigation, we assigned the estimated weighted-average dumping margin calculated for Thaco as the estimated weighted-average dumping margin for the Vietnam-wide entity. No party commented on our preliminary finding with respect to the Vietnam-wide entity. Therefore, we continue to assign the estimated weighted-average

dumping margin calculated for Thaco to the Vietnam-wide entity.

Combination Rates

Consistent with the *Initiation Notice*,¹⁰ the *Preliminary Determination*, and Policy Bulletin 05.1,¹¹ Commerce calculated a combination rate for Thaco, which is the sole respondent eligible for a separate rate in this investigation.

Final Determination

Commerce determines that the following estimated weighted-average dumping margins exist for the period July 1, 2024, through December 31, 2024:

Producer	Exporter	Weighted-average dumping margin (percent)
Thaco Special Vehicles Manufacturing Limited Company; Thaco Industries Trailers and Heavy Steel Structures Manufacturing Limited Liability Company. Vietnam-wide Entity	Thaco Special Vehicles Manufacturing Limited Company; Thaco Industries Trailers and Heavy Steel Structures Manufacturing Limited Liability Company. 186.84.	186.84

Disclosure

Commerce intends to disclose the calculations and analysis performed in this final determination to interested parties within five days of any public announcement or, if there is no public announcement, within five days of the date of publication of this notice, in accordance with 19 CFR 351.224(b).

Suspension of Liquidation

In accordance with section 733(d)(1)(B) of the Act, we will instruct U.S. Customs and Border Protection (CBP) to suspend liquidation of all entries of subject merchandise, as described in Appendix I of this notice, which were entered, or withdrawn from warehouse, for consumption, on or after September 29, 2025, the date of publication of the *Preliminary Determination* in the **Federal Register**. In accordance with section 733(d) of the Act, we instructed CBP to discontinue the suspension of liquidation of all entries of subject merchandise entered or withdrawn from warehouse, on or after March 28, 2026, but to continue the suspension of liquidation of all entries of subject merchandise on or before March 27, 2026.

If the U.S. International Trade Commission (ITC) issues a final affirmative injury determination, we will issue an antidumping duty order, reinstate the suspension of liquidation under section 736(a) of the Act, and require a cash deposit of estimated antidumping duties for such entries of subject merchandise in the amounts indicated above, in accordance with section 736(a) of the Act, as follows: (1) the cash deposit rate for the producer/exporter combination listed in the table above will be the rate identified in the table; (2) for all combinations of Vietnamese producers/exporters of subject merchandise that have not established eligibility for their own separate rates, the cash deposit rate will be the rate established for the Vietnam-wide entity; and (3) for all third country exporters of subject merchandise not listed in the table above, the cash deposit rate will be the cash deposit rate applicable to the Vietnamese producer/exporter combination (or Vietnam-wide entity) that supplied that third-country exporter.

If the ITC determines that material injury, or threat of material injury, does not exist, this proceeding will be terminated, and all estimated duties

deposited or securities posted as a result of the suspension of liquidation will be refunded or canceled.

ITC Notification

In accordance with section 735(d) of the Act, we will notify the ITC of our final affirmative determination of sales at LTFV. Because the final determination in this investigation is affirmative, in accordance with section 735(b)(2) of the Act, the ITC will make its final determination as to whether the domestic industry in the United States is materially injured or threatened with material injury by reason of imports of chassis from Vietnam no later than 45 days after our final determination. If the ITC determines that such material injury or threat of material injury does not exist, this proceeding will be terminated, all cash deposits posted will be refunded, and suspension of liquidation will be lifted. If the ITC determines that such injury does exist, Commerce will issue an antidumping duty order directing CBP to assess, upon further instruction by Commerce, antidumping duties on all imports of the subject merchandise entered or withdrawn from warehouse for consumption on or after the effective

⁹ See Memorandum, “Verification of the Questionnaire Responses of Thaco Special Vehicles Manufacturing Limited Company and Thaco Industries Trailers and Heavy Steel Structures Manufacturing Limited Liability Company,” dated February 24, 2026.

¹⁰ See *Certain Chassis and Subassemblies Thereof from Mexico, Thailand, and the Socialist Republic of Vietnam: Initiation of Less-Than-Fair-Value Investigations*, 90 FR 13457 (March 24, 2025) (*Initiation Notice*).

¹¹ See Enforcement and Compliance’s Policy Bulletin No. 05.1, regarding, “Separate-Rates

Practice and Application of Combination Rates in Antidumping Investigations Involving Non-Market Economy Countries,” dated April 5, 2005 (Policy Bulletin 05.1), available on Commerce’s website at <https://enforcement.trade.gov/policy/bull05-1.pdf>.

date of the suspension of liquidation, as discussed in the “Continuation of Suspension of Liquidation” section.

Administrative Protective Order (APO)

This notice also serves as a final reminder to parties subject to APO of their responsibility concerning the return or destruction 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 terms of an APO is a violation which is subject to sanction.

Notification to Interested Parties

This determination is issued and published in accordance with sections 735(d) and 777(i)(1) of the Act, and 19 CFR 351.210(c).

Dated: April 20, 2026.

Christopher Abbott,

Deputy Assistant Secretary for Policy and Negotiations, performing the non-exclusive functions and duties of the Assistant Secretary for Enforcement and Compliance.

Appendix I

Scope of the Investigation

The merchandise covered by this investigation consists of chassis and subassemblies thereof whether finished or unfinished, whether assembled or unassembled, whether coated or uncoated, regardless of the number of axles, for carriage of containers, or other payloads (including self-supporting payloads) for road, marine roll-on/roll-off (RORO) and/or rail transport. Chassis are typically, but are not limited to, rectangular framed trailers with a suspension and axle system, wheels and tires, brakes, a lighting and electrical system, a coupling for towing behind a truck tractor, and a locking system or systems to secure the shipping container or containers to the chassis using twistlocks, slide pins or similar attachment devices to engage the corner fittings on the container or other payload.

Subject merchandise includes, but is not limited to, the following subassemblies:

- Chassis frames, or sections of chassis frames, including kingpin assemblies, bolsters consisting of transverse beams with locking or support mechanisms, goosenecks, drop assemblies, extension mechanisms and/or rear impact guards;
- Running gear assemblies or axle assemblies for connection to the chassis frame, whether fixed in nature or capable of sliding fore and aft or lifting up and lowering down, which may or may not include suspension(s) (mechanical or pneumatic), wheel end components, slack adjusters, dressed axles, brake chambers, locking pins, and tires and wheels; and
- Assemblies that connect to the chassis frame or a section of the chassis frame, such

as but not limited to, pintle hooks or B-trains (which include a fifth wheel), which are capable of connecting a chassis to a converter dolly or another chassis.

Importation of any of these subassemblies, whether assembled or unassembled, constitutes an unfinished chassis for purposes of this investigation.

Subject merchandise also includes chassis, whether finished or unfinished, entered with components such as, but not limited to: hub and drum assemblies, brake assemblies (either drum or disc), bare axles, brake chambers, suspensions and suspension components, wheel end components, landing gear legs, spoke or disc wheels, tires, brake control systems, electrical harnesses and lighting systems.

Processing of finished and unfinished chassis and components such as trimming, cutting, grinding, notching, punching, drilling, painting, coating, staining, finishing, assembly, or any other processing either in the country of manufacture of the in-scope product or in a third country does not remove the product from the scope. Inclusion of other components not identified as comprising the finished or unfinished chassis does not remove the product from the scope.

Individual components entered and sold by themselves are not subject to the investigation, but components entered with a finished or unfinished chassis are subject merchandise. A finished chassis is ultimately comprised of several different types of subassemblies. Within each subassembly there are numerous components that comprise a given subassembly.

This scope excludes dry van trailers, refrigerated van trailers and flatbed trailers. Dry van trailers are trailers with a wholly enclosed cargo space comprised of fixed sides, nose, floor and roof, with articulated panels (doors) across the rear and occasionally at selected places on the sides, with the cargo space being permanently incorporated in the trailer itself. Refrigerated van trailers are trailers with a wholly enclosed cargo space comprised of fixed sides, nose, floor and roof, with articulated panels (doors) across the rear and occasionally at selected places on the sides, with the cargo space being permanently incorporated in the trailer and being insulated, possessing specific thermal properties intended for use with self-contained refrigeration systems. Flatbed (or platform) trailers consist of load carrying main frames and a solid, flat or stepped loading deck or floor permanently incorporated with and supported by frame rails and cross members.

The scope also excludes fully and permanently assembled trailers that have permanently incorporated floors welded to the frame without a locking mechanism, a gross axle weight ratings of 8,000 lbs or less, and that connect to Federal Highway Administration Class 3 or Class 5 vehicles with a coupler rated for SAE J684 Standard Class 4, whether entered with or without neck, ramp, dove tail, or dump/safety arm components. The scope also excludes fully dressed axle subassemblies with a gross axle weight rating of 8,000 lbs or less, an outer diameter of the axle beam of three inches or less, and eight or fewer lug nuts.

The finished and unfinished chassis subject to this investigation are typically classified in the Harmonized Tariff Schedule of the United States (HTSUS) at subheadings: 8716.39.0090 and 8716.90.5060. Imports of finished and unfinished chassis may also enter under HTSUS subheading 8716.90.5010. While the HTSUS subheadings are provided for convenience and customs purposes, the written description of the merchandise under investigation is dispositive.

Appendix II

List of Topics Discussed in the Issues and Decision Memorandum

- I. Summary
- II. Background
- III. Changes Since the *Preliminary Determination*
- IV. Discussion of the Issues
 - Comment 1: Whether to Change the Harmonized Tariff Schedule (HTS) Classification of Certain Surrogate Values (SVs)
 - Comment 2: Whether to Revise the Surrogate Financial Ratio Calculation
 - Comment 3: Whether to Adjust the Ocean Freight SV
- V. Recommendation

[FR Doc. 2026–08043 Filed 4–23–26; 8:45 am]

BILLING CODE 3510–DS–P

DEPARTMENT OF COMMERCE

International Trade Administration

[C–489–840]

Common Alloy Aluminum Sheet From the Republic of Türkiye: Final Results of Countervailing Duty Administrative Review; 2023; Correction

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

ACTION: Notice; correction.

SUMMARY: The U.S. Department of Commerce (Commerce) published a notice in the **Federal Register** on April 9, 2026, in which Commerce announced the final results of the 2023 administrative review of the countervailing duty (CVD) order on common alloy aluminum sheet (aluminum sheet) from the Republic of Türkiye (Türkiye). This notice inadvertently omitted Appendix II, which contained the names of the companies subject to the non-selected company subsidy rate.

FOR FURTHER INFORMATION CONTACT: Charles DeFilippo or Jacob Saude, AD/CVD Operations, Office VII, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue NW, Washington,

DC 20230; telephone: (202) 482–3797 or (202) 482–0981, respectively.

SUPPLEMENTARY INFORMATION:

Background

On April 9, 2026, Commerce published in the **Federal Register** the *Final Results* of the 2023 CVD administrative review of aluminum sheet from Türkiye.¹ We inadvertently omitted Appendix II, which contained the names of the companies subject to the non-selected company subsidy rate.

Correction

1. In the **Federal Register** of April 9, 2026, in FR Doc 2026–06878, on page 17942, in the third column, correct the “Final Results of Review” section rate table to include a footnote after “Non-Selected Companies Under Review” to read: “See Appendix II for the list of these companies.”

2. In the **Federal Register** of April 9, 2026, in FR Doc 2026–06878, on page 17943, in the second column, correct the notice so that it includes an “Appendix II” section which states: “List of Companies Not Selected for Individual Review

1. ASAS Aluminyum Sanayi ve Ticaret A.S.

2. P.M.S. Metal Profil Aluminyum Sanayi ve Ticaret A.S.”

Notification to Interested Parties

This notice is issued and published in accordance with sections 751(a)(1) and 777(i) of the Tariff Act of 1930, as amended, and 19 CFR 351.221(b)(5).

Dated: April 21, 2026.

Christopher Abbott,

Deputy Assistant Secretary for Policy and Negotiations, performing the non-exclusive functions and duties of the Assistant Secretary for Enforcement and Compliance.

[FR Doc. 2026–08035 Filed 4–23–26; 8:45 am]

BILLING CODE 3510–DS–P

DEPARTMENT OF COMMERCE

International Trade Administration

[A–570–051, C–570–052]

Certain Hardwood Plywood Products from the People’s Republic of China: Preliminary Determinations of No Shipments and Rescission, In Part; 2024, 2020–2021

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

¹ See *Common Alloy Aluminum Sheet from the Republic of Türkiye: Final Results of the Countervailing Duty Administrative Review*; 2023, 91 FR 17941 (April 9, 2026).

SUMMARY: The U.S. Department of Commerce (Commerce) preliminarily finds that there were no shipments of certain hardwood plywood products (hardwood plywood) from the People’s Republic of China (China) during the period of review (POR) covering the periods June 17, 2020, through September 25, 2021, and January 1, 2024, through December 31, 2024. We are also rescinding these reviews, in part, with respect to 74 companies in the antidumping duty (AD) review. We invite interested parties to comment on these preliminary results.

DATES: Applicable April 24, 2026.

FOR FURTHER INFORMATION CONTACT:

Kabir Archuleta, AD/CVD Operations, Office V, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue NW, Washington, DC 20230; telephone: (202) 482–2593.

SUPPLEMENTARY INFORMATION:

Background

On January 4, 2018, Commerce published in the **Federal Register** the AD and countervailing duty (CVD) orders on hardwood plywood from China.¹ On January 2 and June 30, 2025, Commerce published in the **Federal Register** notices of opportunity to request an administrative review of the *Orders* covering entries of hardwood plywood from China from the periods June 17, 2020, through September 25, 2021, and January 1, 2024, through December 31, 2024.² On February 21 and August 22, 2025, based on timely requests for administrative reviews, Commerce initiated the AD administrative review with respect to 75 companies and the CVD administrative review with respect to one company.³

On February 28 and September 2, 2025, Commerce released entry data

¹ See *Certain Hardwood Plywood Products from the People’s Republic of China: Amended Final Determination of Sales at Less Than Fair Value, and Antidumping Duty Order*, 83 FR 504 (January 4, 2018); see also *Certain Hardwood Plywood Products from the People’s Republic of China: Countervailing Duty Order*, 83 FR 513 (January 4, 2018) (collectively, *Orders*).

² See *Antidumping or Countervailing Duty Order, Finding, or Suspended Investigation; Opportunity to Request Administrative Review and Join Inquiry Service List*, 90 FR 71 (January 2, 2025); see also *Antidumping or Countervailing Duty Order, Finding, or Suspended Investigation; Opportunity to Request Administrative Review and Join Inquiry Service List*, 90 FR 27841 (June 30, 2025).

³ See *Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 90 FR 10048 (February 21, 2025) (2024 Initiation); see also *Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 90 FR 41043 (August 22, 2025) (2020–2021 Initiation). We initiated the AD review of 74 companies in the 2024 Initiation and the AD and CVD reviews of one company in the 2020–2021 Initiation.

from U.S. Customs and Border Protection (CBP) to interested parties for comment in the AD and CVD proceedings.⁴ In our Data Release and Intent to Rescind Memorandum, we notified parties of our intent to rescind the AD administrative review with respect to all of the companies that had no suspended entries during the period.⁵ We received no comments on our intent to rescind the review with respect to these companies. On September 9, 2025, we received comments from a U.S. importer on our Second Data Release Memorandum.⁶ No other interested party commented on the CBP data.

On September 12 and 17, 2025, we received a timely separate rate application (SRA) and no-shipment certification from Hai Hien Bamboo Wood Joint Stock Company (Hai Hien), the sole company for which we did not state our intent to rescind the reviews.⁷

On September 5, 2025, Commerce extended the deadline of the preliminary results of these administrative reviews by 119 days.⁸ Due to the lapse in appropriations and Federal Government shutdown, on November 14, 2025, Commerce tolled all deadlines in administrative proceedings by 47 days.⁹ Additionally, due to a backlog of documents that were electronically filed via Enforcement and Compliance’s Antidumping and Countervailing Duty Centralized Electronic Service System during the Federal Government shutdown, on November 24, 2025, Commerce tolled all deadlines in administrative proceedings by an additional 21 days.¹⁰ The deadline for the preliminary results of these AD and CVD reviews is now April 8, 2026.

Scope of the Orders

The merchandise covered by these *Orders* is hardwood and decorative

⁴ See Memorandum, “CBP Data Release and Intent to Rescind,” dated February 28, 2025 (Data Release and Intent to Rescind Memorandum); see also Memorandum, “CBP Data Release,” dated September 2, 2025 (Second Data Release Memorandum).

⁵ See Data Release and Intent to Rescind Memorandum.

⁶ See Taraca Pacific Inc.’s Letter, “Comments on CBP Data,” dated September 9, 2025.

⁷ See Hai Hien’s Letter, “Hai Hien Separate Rate Application,” dated September 12, 2025; see also Hai Hien’s Letter, “Hai Hien No Sales Certification,” dated September 17, 2025.

⁸ See Memorandum, “Extension of Deadline for Preliminary Results of Antidumping and Countervailing Duty Administrative Reviews,” dated September 5, 2025.

⁹ See Memorandum, “Deadlines Affected by the Shutdown of the Federal Government,” dated November 14, 2025.

¹⁰ See Memorandum, “Tolling of all Case Deadlines,” dated November 24, 2025.

plywood, and certain veneered panels as described below. For purposes of these proceedings, hardwood and decorative plywood is defined as a generally flat, multilayered plywood or other veneered panel, consisting of two or more layers or plies of wood veneers and a core, with the face and/or back veneer made of non-coniferous wood (hardwood) or bamboo. The veneers, along with the core may be glued or otherwise bonded together. Hardwood and decorative plywood may include products that meet the American National Standard for Hardwood and Decorative Plywood, ANSI/HPVA HP-1-2016 (including any revisions to that standard).

For purposes of these *Orders* a “veneer” is a slice of wood regardless of thickness which is cut, sliced or sawed from a log, bolt, or flitch. The face and back veneers are the outer most veneer of wood on either side of the core irrespective of additional surface coatings or covers as described below.

The core of hardwood and decorative plywood consists of the layer or layers of one or more material(s) that are situated between the face and back veneers. The core may be composed of a range of materials, including but not limited to hardwood, softwood, particleboard, or medium-density fiberboard (MDF).

All hardwood plywood is included within the scope of these *Orders* regardless of whether or not the face and/or back veneers are surface coated or covered and whether or not such surface coating(s) or covers obscures the grain, textures, or markings of the wood. Examples of surface coatings and covers include, but are not limited to: ultra violet light cured polyurethanes; oil or oil-modified or water based polyurethanes; wax; epoxy-ester finishes; moisture-cured urethanes; paints; stains; paper; aluminum; high pressure laminate; MDF; medium density overlay (MDO); and phenolic film. Additionally, the face veneer of hardwood plywood may be sanded; smoothed or given a “distressed” appearance through such methods as hand-scraping or wire brushing. All hardwood plywood is included within the scope even if it is trimmed; cut-to-size; notched; punched; drilled; or has underwent other forms of minor processing.

All hardwood and decorative plywood are included within the scope of these *Orders*, without regard to dimension (overall thickness, thickness of face veneer, thickness of back veneer, thickness of core, thickness of inner veneers, width, or length). However, the most common panel sizes of hardwood

and decorative plywood are 1219 × 1829 mm (48 × 72 inches), 1219 × 2438 mm (48 × 96 inches), and 1219 × 3048 mm (48 × 120 inches).

Subject merchandise also includes hardwood and decorative plywood that has been further processed in a third country, including but not limited to trimming, cutting, notching, punching, drilling, or any other processing that would not otherwise remove the merchandise from the scope of the *Orders* if performed in the country of manufacture of the in-scope product.

The scope of the *Orders* excludes the following items: (1) structural plywood (also known as “industrial plywood” or “industrial panels”) that is manufactured to meet U.S. Products Standard PS 1-09, PS 2-09, or PS 2-10 for Structural Plywood (including any revisions to that standard or any substantially equivalent international standard intended for structural plywood), and which has both a face and a back veneer of coniferous wood; (2) products which have a face and back veneer of cork; (3) multilayered wood flooring, as described in the antidumping duty and countervailing duty orders on Multilayered Wood Flooring from the People’s Republic of China, Import Administration, International Trade Administration. *See Multilayered Wood Flooring from the People’s Republic of China*, 76 FR 76690 (December 8, 2011) (amended final determination of sales at less than fair value and antidumping duty order), and *Multilayered Wood Flooring from the People’s Republic of China*, 76 FR 76693 (December 8, 2011) (countervailing duty order), as amended by *Multilayered Wood Flooring from the People’s Republic of China: Amended Antidumping and Countervailing Duty Orders*, 77 FR 5484 (February 3, 2012); (4) multilayered wood flooring with a face veneer of bamboo or composed entirely of bamboo; (5) plywood which has a shape or design other than a flat panel, with the exception of any minor processing described above; (6) products made entirely from bamboo and adhesives (also known as “solid bamboo”); and (7) Phenolic Film Faced Plyform (PFF), also known as Phenolic Surface Film Plywood (PSF), defined as a panel with an “Exterior” or “Exposure 1” bond classification as is defined by The Engineered Wood Association, having an opaque phenolic film layer with a weight equal to or greater than 90g/m³ permanently bonded on both the face and back veneers and an opaque, moisture resistant coating applied to the edges.

On July 14, 2023, Commerce determined that imports of hardwood

plywood completed in the Socialist Republic of Vietnam (Vietnam) using hardwood plywood inputs (face veneer, back veneer, and/or either an assembled core or individual core veneers) manufactured in China, or Chinese hardwood plywood inputs (assembled cores, multi-ply core panels, or individual core veneers) combined in Vietnam with other inputs (face and/or back veneers) manufactured in Vietnam or third countries, and subsequently exported to the United States, are subject to these *Orders*. Specifically, these *Orders* cover hardwood plywood that is exported to the United States that is produced under the following scenarios:

1. Face veneer, back veneer, and assembled core components (e.g., veneer core platforms) manufactured in China and assembled in Vietnam;

2. Fully assembled veneer core platforms manufactured in China that are combined in Vietnam with face and/or back veneers produced in Vietnam or third countries;

3. Multi-ply panels of glued core veneers manufactured in China that are combined in Vietnam to produce veneer core platforms and combined with either a face and/or back veneer produced in China, Vietnam, or a third country;

4. Face veneer, back veneer, and individual core veneers produced in China and assembled into hardwood plywood in Vietnam; and

5. Individual core veneers manufactured in China and processed into a veneer core platform in Vietnam and combined with a face and/or back veneer produced in Vietnam or other third country.

Excluded from the scope of these *Orders* are wooden furniture goods that, at the time of importation, are fully assembled and are ready for their intended uses. Also excluded from the scope of these *Orders* is “ready to assemble” (RTA) furniture. RTA furniture is defined as (A) furniture packaged for sale for ultimate purchase by an end-user that, at the time of importation, includes (1) all wooden components (in finished form) required to assemble a finished unit of furniture, (2) all accessory parts (e.g., screws, washers, dowels, nails, handles, knobs, adhesive glues) required to assemble a finished unit of furniture, and (3) instructions providing guidance on the assembly of a finished unit of furniture; (B) unassembled bathroom vanity cabinets, having a space for one or more sinks, that are imported with all unassembled hardwood and hardwood plywood components that have been cut-to-final dimensional component

shape/size, painted or stained prior to importation, and stacked within a singled shipping package, except for furniture feet which may be packed and shipped separately; or (C) unassembled bathroom vanity linen closets that are imported with all unassembled hardwood and hardwood plywood components that have been cut-to-final dimensional shape/size, painted or stained prior to importation, and stacked within a single shipping package, except for furniture feet which may be packed and shipped separately.

Excluded from the scope of these *Orders* are kitchen cabinets that, at the time of importation, are fully assembled and are ready for their intended uses. Also excluded from the scope of this *Order* are RTA kitchen cabinets. RTA kitchen cabinets are defined as kitchen cabinets packaged for sale for ultimate purchase by an end-user that, at the time of importation, includes (1) all wooden components (in finished form) required to assemble a finished unit of cabinetry, (2) all accessory parts (e.g., screws, washers, dowels, nails, handles, knobs, hooks, adhesive glues) required to assemble a finished unit of cabinetry, and (3) instructions providing guidance on the assembly of a finished unit of cabinetry.

Excluded from the scope of these *Orders* are finished tabletops, which are tabletops imported in finished form with pre-cut or drilled openings to attach the underframe or legs. The tabletops are ready for use at the time of import and require no further finishing or processing.

Excluded from the scope of these *Orders* are finished countertops that are imported in finished form and require no further finishing or manufacturing.

Excluded from the scope of these *Orders* are laminated veneer lumber (LVL) door and window components with (1) a maximum width of 44 millimeters, a thickness from 30 millimeters to 72 millimeters, and a length of less than 2413 millimeters (2) water boiling point exterior adhesive, (3) a modulus of elasticity of 1,500,000 pounds per square inch or higher, (4) finger-jointed or lap-jointed core veneer with all layers oriented so that the grain is running parallel or with no more than 3 dispersed layers of veneer oriented with the grain running perpendicular to the other layers; and (5) top layer machined with a curved edge and one or more profile channels throughout.

Excluded from the scope of these *Orders* are certain door stiles and rails made of LVL that have a width not to exceed 50 millimeters, a thickness not to exceed 50 millimeters, and a length of less than 2,450 millimeters.

Imports of hardwood plywood are primarily entered under the following Harmonized Tariff Schedule of the United States (HTSUS) subheadings:

4412.10.0500; 4412.31.0520;
4412.31.0540; 4412.31.0560;
4412.31.0620; 4412.31.0640;
4412.31.0660; 4412.31.2510;
4412.31.2520; 4412.31.2610;
4412.31.2620; 4412.31.4040;
4412.31.4050; 4412.31.4060;
4412.31.4075; 4412.31.4080;
4412.31.4140; 4412.31.4150;
4412.31.4155; 4412.31.4160;
4412.31.4180; 4412.31.5125;
4412.31.5135; 4412.31.5155;
4412.31.5165; 4412.31.5175;
4412.31.5235; 4412.31.5255;
4412.31.5265; 4412.31.5275;
4412.31.6000; 4412.31.6100;
4412.31.9100; 4412.31.9200;
4412.32.0520; 4412.32.0540;
4412.32.0565; 4412.32.0570;
4412.32.0620; 4412.32.0640;
4412.32.0670; 4412.32.2510;
4412.32.2525; 4412.32.2530;
4412.32.2610; 4412.32.2630;
4412.32.3125; 4412.32.3135;
4412.32.3155; 4412.32.3165;
4412.32.3175; 4412.32.3185;
4412.32.3235; 4412.32.3255;
4412.32.3265; 4412.32.3275;
4412.32.3285; 4412.32.5600;
4412.32.5700; 4412.33.0620;
4412.33.0640; 4412.33.0670;
4412.33.2630; 4412.33.3235;
4412.33.3255; 4412.33.3265;
4412.33.3275; 4412.33.3285;
4412.33.5700; 4412.34.2600;
4412.34.3235; 4412.34.3255;
4412.34.3265; 4412.34.3275;
4412.34.3285; 4412.34.5700;
4412.39.1000; 4412.39.3000;
4412.39.4011; 4412.39.4012;
4412.39.4019; 4412.39.4031;
4412.39.4032; 4412.39.4039;
4412.39.4051; 4412.39.4052;
4412.39.4059; 4412.39.4061;
4412.39.4062; 4412.39.4069;
4412.39.5010; 4412.39.5030;
4412.39.5050; 4412.94.1030;
4412.94.1050; 4412.94.3105;
4412.94.3111; 4412.94.3121;
4412.94.3141; 4412.94.3161;
4412.94.3175; 4412.94.4100;
4412.99.0600; 4412.99.1020;
4412.99.1030; 4412.99.1040;
4412.99.3110; 4412.99.3120;
4412.99.3130; 4412.99.3140;
4412.99.3150; 4412.99.3160;
4412.99.3170; 4412.99.4100;
4412.99.5115; and 4412.99.5710.

Imports of hardwood plywood may also enter under HTSUS subheadings 4412.10.9000; 4412.94.5100;
4412.94.9500; 4412.99.6000;
4412.99.7000; 4412.99.8000;
4412.99.9000; 4412.99.9500;

9403.90.7005; 9403.90.7010; and 9403.90.7080. While the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of these *Orders* is dispositive.

Rescission of AD Administrative Review, in Part

Pursuant to 19 CFR 351.213(d)(3), when there are no reviewable entries of subject merchandise during the POR subject to the AD or CVD order for which liquidation is suspended, Commerce may rescind an administrative review, in whole or only with respect to a particular exporter or producer.¹¹ At the end of the administrative review, any suspended entries are liquidated at the assessment rate computed for the review period.¹² Therefore, for an administrative review to be conducted, there must be a reviewable, suspended entry to be liquidated at the newly calculated assessment rate. On February 28, 2025, Commerce notified all interested parties of its intent to rescind the AD review with respect to companies under review that had no reviewable, suspended entries of subject merchandise during the period and invited parties to comment.¹³ We received no comments on our intent to rescind the review with respect to these companies. Accordingly, in the absence of suspended entries of subject merchandise during the POR for these companies for which this review was initiated, we are hereby rescinding the AD administrative review, in part, with respect to these companies, in accordance with 19 CFR 351.213(d)(3). See the appendix for a list of all companies for which Commerce is rescinding the AD review.

Preliminary Determinations of No Shipments

The remaining company under review, Hai Hien, is currently eligible to certify that its shipments of hardwood plywood from Vietnam were not produced using Chinese core inputs,¹⁴

¹¹ See, e.g., *Forged Steel Fittings from Taiwan: Rescission of Antidumping Duty Administrative Review; 2018–2019*, 85 FR 71317, 71318 (November 9, 2020); see also *Certain Circular Welded Non-Alloy Steel Pipe from Mexico: Rescission of Antidumping Duty Administrative Review; 2016–2017*, 83 FR 54084, 54085 (October 26, 2018).

¹² See 19 CFR 351.212(b)(1).

¹³ See Data Release and Intent to Rescind Memorandum.

¹⁴ See *Certain Hardwood Plywood Products from the People's Republic of China: Final Results of Administrative Reviews of the Antidumping and Countervailing Duty Orders, Final Determination of No Shipments; 2021–2022*, 90 FR 21271 (May 19, 2025), and accompanying Issues and Decision Memorandum (IDM).

but it was unable to certify its shipments at the time of entry.¹⁵ On February 26, 2026, we afforded Hai Hien the opportunity to provide the certifications that would have accompanied its entries had the company been permitted to submit the certifications at the time of entry.¹⁶ Hai Hien submitted these certifications, covering all of its suspended entries of plywood, on March 9, 2026.¹⁷ Based on our review of these certifications, we preliminarily find that Hai Hien had no shipments of plywood subject to the China *Orders* during the POR.

Public Comment

In accordance with 19 CFR 351.309(c)(1)(ii), interested parties may submit case briefs to Commerce no later than 21 days after the date of publication of this notice. Rebuttal briefs, limited to issues raised in case briefs, may be submitted no later than five days after the deadline for filing case briefs.¹⁸ Pursuant to 19 CFR 351.309(c)(2) and (d)(2), parties who submit case briefs or rebuttal briefs in these reviews must submit: (1) a table of contents listing each issue; and (2) a table of authorities.¹⁹

As provided under 19 CFR 351.309(c)(2)(iii) and (d)(2)(iii), we request that interested parties provide at the beginning of their briefs a public, executive summary for each issue raised in their briefs.²⁰ Further, we request that interested parties limit their public executive summary of each issue to no more than 450 words, not including citations. We intend to use the public executive summaries as the basis of the comment summaries included in the issues and decision memorandum that will accompany the final results of this administrative review. We request that interested parties include footnotes for relevant citations in the public executive summary of each issue. Note that Commerce has amended certain of its requirements pertaining to the

service of documents in 19 CFR 351.303(f).²¹

Pursuant to 19 CFR 351.310(c), interested parties who wish to request a hearing, limited to issues raised in the case and rebuttal briefs, must submit a written request to the Assistant Secretary for Enforcement and Compliance, U.S. Department of Commerce, within 30 days after the date of publication of this notice. Requests should contain the party's name, address, and telephone number, the number of participants and whether any participant is a foreign national, and a list of the issues to be discussed. Oral presentations at the hearing will be limited to issues raised in the case and rebuttal briefs.²² If a request for a hearing is made, parties will be notified of the date, time, and location of the hearing.²³ Parties should confirm by telephone the date, time, and location of the hearing two days before the scheduled date.

Assessment Rates

Upon issuance of the final results of these reviews, for all entries of merchandise exported by Hai Hien, we intend to instruct CBP to liquidate the entries without regard to AD/CVD duties if these preliminary results are unchanged for the final results.

For the companies for which the AD administrative review is rescinded with these preliminary results (*see* the appendix), we will instruct CBP to assess antidumping duties on all appropriate entries at a rate equal to the cash deposit of estimated antidumping duties required at the time of entry, or withdrawal from warehouse, for consumption, during the period June 17, 2020, through September, 25, 2021, and January 1, 2024, through December 31, 2024, in accordance with 19 CFR 351.212(c)(1)(i). Commerce intends to issue assessment instructions to CBP for such companies no earlier than 35 days after the date of publication of the preliminary results of these reviews in the **Federal Register**.

Commerce intends to issue assessment instructions to CBP no earlier than 35 days after the date of publication of the final results of this review in the **Federal Register**. If a timely summons is filed at the U.S. Court of International Trade, the assessment instructions will direct CBP not to liquidate relevant entries until the time for parties to file a request for a

statutory injunction has expired (*i.e.*, within 90 days of publication).

Cash Deposit Requirements—AD

The following cash deposit requirements will be effective upon publication of the final results of the AD administrative review for shipments of subject merchandise, entered, or withdrawn from warehouse, for consumption on or after the publication date of the final results of this administrative review, as provided by section 751(a)(2)(C) of the Tariff Act of 1930, as amended (the Act): (1) for previously investigated or reviewed exporters that have separate rates, the cash deposit rate will continue to be the exporter-specific rate published for the most recently-completed segment of this proceeding in which Commerce assigned a rate to that company; (2) for all Chinese exporters of subject merchandise that have not been found to be entitled to a separate rate, the cash deposit rate will be the rate for the China-wide entity (*i.e.*, 114.72 percent); and (3) for all non-Chinese exporters of subject merchandise that have not received their own rate, the cash deposit rate will be the rate applicable to the exporter that supplied that non-Chinese exporter, where available, or the rate for the China-wide entity (*i.e.*, 114.72), if no alternate rate is available. These cash deposit requirements, when imposed, shall remain in effect until further notice.

Cash Deposit Requirements—CVD

For Hai Hien, the only company under review in the CVD review, we will instruct CBP to continue to collect cash deposits of estimated countervailing duties at the most recent company-specific or all-others rate applicable to the company. These cash deposit instructions, when imposed, shall remain in effect until further notice.

Final Results of Review

Unless otherwise extended, Commerce intends to issue the final results of these administrative reviews, which will include the results of its analysis of issues raised in any briefs, within 120 days of publication of these preliminary results of review, pursuant to section 751(a)(3)(A) of the Act.

Notification to Importers

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

¹⁵ See *Certain Hardwood Plywood Products from the People's Republic of China: Final Scope Determination and Affirmative Final Determination of Circumvention of the Antidumping and Countervailing Duty Orders*, 88 FR 46740 (July 20, 2023), and accompanying IDM.

¹⁶ See Commerce's Letter, "Request for Certifications," dated February 25, 2026.

¹⁷ See Hai Hien's Letter, "Response to Request for Certifications," dated March 9, 2026.

¹⁸ See 19 CFR 351.309(d); *see also* *Administrative Protective Order, Service, and Other Procedures in Antidumping and Countervailing Duty Proceedings*, 88 FR 67069, 67077 (September 29, 2023) (*APO and Service Final Rule*).

¹⁹ See 19 CFR 351.309(c)(2) and (d)(2).

²⁰ We use the term "issue" here to describe an argument that Commerce would normally address in a comment of the Issues and Decision Memorandum.

²¹ See *APO and Service Final Rule*, 88 FR at 67077.

²² See 19 CFR 351.310(c).

²³ See 19 CFR 351.310(d).

to comply with this requirement could result in Commerce's presumption that reimbursement of antidumping and/or countervailing duties occurred and the subsequent assessment of double antidumping duties.

Notification to Interested Parties

These preliminary results of administrative review are issued and published in accordance with sections 751(a)(1) and 777(i)(1) of the Act, and 19 CFR 351.221(b)(4).

Dated: April 8, 2026.

Christopher Abbott,

Deputy Assistant Secretary for Policy and Negotiations, performing the non-exclusive functions and duties of the Assistant Secretary for Enforcement and Compliance.

Appendix

Companies Rescinded From AD Review

1. Anhui Hoda Wood Co., Ltd.
2. Bizlink Technology Inc.
3. BTR New Material Group Co., Ltd.
4. Celtic Co., Ltd
5. China Friend Limited
6. Cosco Star International Co., Ltd.
7. Dalian Sicily Wood Industry Co., Ltd.
8. Dongguan Starhome Technology Co. Ltd.
9. First Part Manufacturing Limited
10. Fujian Yuansheng Wood., Ltd
11. Fusong Jinlong Wooden Group Co., Ltd.
12. Golder International Trade Co., Ltd
13. Happy Wood Industrial Group Co., Ltd.
14. Hainan Golden Shell Co. Ltd.
15. Huainan Mengping Import and Export Co., Ltd
16. Jiangsu Top Point International Co., Ltd
17. Jiaxing Gsun Imp. & Exp. Co., Ltd
18. Jiangsu High Hope Arser Co., Ltd
19. Jiaxing Hengtong Wood Co., Ltd.
20. Lianyungang Yuantai International Co. Ltd.
21. Ligroup China Co., Ltd.
22. Linyi City Dongfang Fukai Wood Industry Co., Ltd
23. Linyi City Shenrui International Trade Co., Ltd
24. Linyi Dahua Wood Co., Ltd
25. Linyi Dongstar Import & Export Co., Ltd
26. Linyi Evergreen Wood Co., Ltd.
27. Linyi Glary Plywood Co., Ltd.
28. Linyi Hanbo Import & Export Co. Ltd.
29. Linyi Hengsheng Wood Industry Co., Ltd
30. Linyi Highwise International Co. Ltd.
31. Linyi Huasheng Yongbin Wood Co., Ltd.
32. Linyi Jiahe Wood Industry Co., Ltd.
33. Linyi Linhai Wood Co., Ltd
34. Linyi Mingzhu Wood Co., Ltd
35. Phihong Technology Co., Ltd.
36. Pingyi Jinniu Wood Co., Ltd
37. Linyi Sanfortune Wood Co., Ltd.
38. Lianyungang Yuantai International Trade Co., Ltd
39. Qingdao Good Faith Import and Export Co., Ltd
40. Qingdao Top P&Q International Corp.
41. Shandong Baozhu International Co., Ltd.
42. Shandong Good Wood Import and Export Co., Ltd.
43. Shandong Qishan International Trading Co., Ltd

44. Shanghai Brightwood Trading Co., Ltd.
45. Shanghai Futuwood Trading Co., Ltd.
46. Shanghai Luli Trading Co., Ltd.
47. Shenzhen Joyton Import and Export Co., Ltd.
48. Shenzhen Kedali Industry Co., Ltd.
49. Shouguang Topbon Import and Export Co., Ltd.
50. Suining Pengxiang Wood Co., Ltd
51. Sumec International Technology Co., Ltd
52. Sun Chain Trading Co., Ltd.
53. Suqian Hopeway International Trade Co., Ltd.
54. Suzhou Dongsheng Wood Co., Ltd
55. Suzhou Fengshuwan Import and Exports Trade Co., Ltd
56. Suzhou Oriental Dragon Import and Export Co., Ltd.
57. Trieu Thai Son Co., Ltd.
58. Xuzhou Andefu Wood Co., Ltd
59. Xuzhou Amish Import and Export Co., Ltd.
60. Xuzhou DNT Commercial Co., Ltd
61. Xuzhou Eastern Huatai International Trading Co., Ltd
62. Xuzhou Huanghuai Wood Co., Ltd.
63. Xuzhou Jiangheng Wood Products Co., Ltd.
64. Xuzhou Longyuan Wood Industry Co., Ltd
65. Xuzhou Pinlin International Trade Co., Ltd
66. Xuzhou Shengping Imp and Exp Co., Ltd
67. Xuzhou Shelter Import & Export Co., Ltd
68. Xuzhou Shuner Import & Export Trade Co. Ltd
69. Xuzhou Timber International Trade Co., Ltd.
70. Xuzhou Yishun Brightwood Co., Ltd.
71. Yangzhou Hanov International Co., Ltd.
72. Zhejiang Layo Wood Industry Co., Ltd
73. Zhejiang Xingke Wood Co., Ltd
74. Zhejiang Yuhua Timber Co., Ltd

[FR Doc. 2026–08038 Filed 4–23–26; 8:45 am]

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DEPARTMENT OF COMMERCE

International Trade Administration

[C–533–896]

Common Alloy Aluminum Sheet From India: Final Results of Countervailing Duty Administrative Review; 2023; Correction

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce
ACTION: Notice; correction.

SUMMARY: The U.S. Department of Commerce (Commerce) published a notice in the **Federal Register** of March 10, 2026, in which Commerce announced its final results in the 2023 countervailing duty (CVD) administrative review of common alloy aluminum sheet (CAAS) from India. This notice listed the respondent's name incorrectly in the table of the “Final Results of Administrative Review” section.

FOR FURTHER INFORMATION CONTACT:

Samuel Evans, AD/CVD Operations, Office IX, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue NW, Washington, DC 20230; telephone: (202) 482–2420.

SUPPLEMENTARY INFORMATION:

Background

On March 10, 2026, Commerce published in the **Federal Register** the final results of the 2023 CVD administrative review of CAAS from India.¹ We incorrectly spelled the name of Manaksia Aluminium Company Limited as “Manaksia Aluminum Company Limited” in the table in the “Final Results of Administrative Review” section.

Correction

In the **Federal Register** of March 10, 2026, in FR Doc 2026–04610, on page 11510, in the second column, correct the spelling of the company's name in the table in the “Final Results of Administrative Review” section to be Manaksia Aluminium Company Limited.

Notification to Interested Parties

This notice is issued and published in accordance with sections 751(a)(1) and 777(i)(1) of the Tariff Act of 1930, as amended, and 19 CFR 351.221(b)(5) and 19 CFR 351.213(h)(2).

Dated: April 21, 2026.

Christopher Abbott,

Deputy Assistant Secretary for Policy and Negotiations, performing the non-exclusive functions and duties of the Assistant Secretary for Enforcement and Compliance.

[FR Doc. 2026–08034 Filed 4–23–26; 8:45 am]

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DEPARTMENT OF COMMERCE

International Trade Administration

[A–549–854]

Certain Chassis and Subassemblies Thereof From Thailand: Final Affirmative Determination of Sales at Less Than Fair Value

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

SUMMARY: The U.S. Department of Commerce (Commerce) determines that certain chassis and subassemblies thereof (chassis) from Thailand are being, or are likely to be, sold in the

¹ See *Common Alloy Aluminum Sheet from India: Final Results of Countervailing Duty Administrative Review; 2023*, 91 FR 11509 (March 10, 2026).

United States at less than fair value (LTFV). The period of investigation (POI) is January 1, 2024, through December 31, 2024.

DATES: Applicable April 24, 2026.

FOR FURTHER INFORMATION CONTACT:

Blair Hood, AD/CVD Operations, Office I, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue NW, Washington, DC 20230; telephone: (202) 482-8329.

SUPPLEMENTARY INFORMATION:

Background

On September 29, 2025, Commerce published the *Preliminary Determination* in this investigation and invited interested parties to comment.¹ Due to the lapse in appropriations and Federal Government shutdown, on November 14, 2025, Commerce tolled all deadlines in administrative proceedings by 47 days.² Additionally, due to a backlog of documents that were electronically filed via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS) during the Federal Government shutdown, on November 25, 2025, Commerce tolled all deadlines in administrative proceedings by an additional 21 days.³ Accordingly, the deadline for this final determination is now April 20, 2026.

For a complete description of the events that occurred since the *Preliminary Determination*, see the Issues and Decision Memorandum.⁴ The Issues and Decision Memorandum is a public document and is on file electronically via ACCESS. ACCESS is available to registered users at <https://access.trade.gov>. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly at <https://access.trade.gov/frnotices>.

¹ See *Certain Chassis and Subassemblies Thereof From the Thailand: Preliminary Affirmative Determination of Sales at Less Than Fair Value, Postponement of Final Determination, and Extension of Provisional Measures*, 90 FR 46550 (September 29, 2025) (*Preliminary Determination*), and accompanying Preliminary Decision Memorandum.

² See Memorandum, "Deadlines Affected by the Shutdown of the Federal Government," dated November 14, 2025.

³ See Memorandum, "Tolling of all Case Deadlines," dated November 24, 2025.

⁴ See Memorandum, "Issues and Decision Memorandum for the Final Affirmative Determination of Sales at Less Than Fair Value in the Investigation of Certain Chassis and Subassemblies Thereof from Thailand," dated concurrently with, and hereby adopted by, this notice (Issues and Decision Memorandum).

Scope of the Investigation

The products covered by this investigation are chassis from Thailand. For a complete description of the scope of this investigation, see Appendix I.

Scope Comments

During the course of this investigation, Commerce received scope comments from interested parties. Commerce issued a Preliminary Scope Decision Memorandum to address these comments and set aside a period of time for parties to address scope issues in scope-specific case and rebuttal briefs.⁵ Between August and September 2025, Commerce received scope case and rebuttal briefs from interested parties.⁶ On February 10, 2026, the petitioner requested a scope exclusion.⁷ After analyzing these comments, we made changes to the scope of the investigation published in the *Preliminary Determination*, as noted in Appendix I.

Verification

Commerce conducted verification of the information relied upon in making its final determination in this investigation, in accordance with section 782(i) of the Tariff Act of 1930, as amended (the Act). Specifically, Commerce conducted on-site verification of the sales and cost information submitted by Dee Siam Manufacturing Co., Ltd. (Dee Siam)'s U.S. affiliate, CIMC Intermodal Equipment, LLC (CIE US).⁸ We used standard verification procedures, including an examination of relevant sales and accounting records, and original source documents provided by CIE US.

Analysis of Comments Received

All issues raised in the case and rebuttal briefs submitted by interested parties in this investigation are

⁵ See Memorandum, "Less Than Fair Value and Countervailing Duty Investigation of Certain Chassis and Subassemblies Thereof from Mexico, Thailand, and the Socialist Republic of Vietnam: Preliminary Scope Decision Memorandum," dated July 28, 2025 (Preliminary Scope Decision Memorandum).

⁶ See PJ Trailers Seminole Inc.'s Letter, "PJ Trailers Seminole Inc.'s Scope Case Brief," dated August 27, 2025; see also Hyundai de Mexico S.A. de C.V.'s Letter, "HT's Scope Case Brief," dated August 27, 2025; and Petitioner's Letter, "Scope Rebuttal Brief," dated September 5, 2025.

⁷ See Petitioner's Letter, "Request Scope Exclusion," dated February 10, 2026.

⁸ See Memorandum, "Verification of the Cost Response of Dee Siam Manufacturing Co., Ltd. in the Less-Than-Fair-Value Investigation of Certain Chassis and Subassemblies Thereof from Thailand," dated February 19, 2026; and Memorandum, "Less-Than-Fair-Value Investigation of Certain Chassis and Subassemblies Thereof from Thailand: Verification of CIMC Intermodal Equipment, LLC," dated February 20, 2026.

addressed in the Issues and Decision Memorandum. For a list of the issues addressed in the Issues and Decision Memorandum, see Appendix II.

Changes Since the Preliminary Determination

We made certain changes since the *Preliminary Determination*. For a discussion of these changes, see the Issues and Decision Memorandum.

Use of Adverse Facts Available (AFA)

As discussed in the Issues and Decision Memorandum, Commerce assigned an estimated weighted-average dumping margin on this basis of AFA, pursuant to sections 776(a) and (b) of the Act, to one company (*i.e.*, Panus Assembly Co., Ltd. (Panus)) that significantly impeded this proceeding.⁹ Accordingly, for the reasons explained in the Issues and Decision Memorandum, and consistent with Commerce's practice, as AFA, we assigned a dumping margin of 129.63 percent to Panus.¹⁰

All-Others Rate

Sections 733(d)(1)(A)(ii) and 735(c)(5)(A) of the Act provide that, Commerce shall determine an estimated all-others rate for all other exporters and producers not individually examined. This rate shall be an amount equal to the weighted average of the estimated weighted-average dumping margins established for exporters and producers individually examined, excluding rates that are zero, *de minimis*, or determined entirely under section 776 of the Act.

In this investigation, Commerce calculated an individual estimated weighted-average dumping margin for Dee Siam. Because Dee Siam's dumping margin is the only individually calculated dumping margin that is not zero, *de minimis*, or based entirely on facts otherwise available, the estimated weighted-average dumping margin calculated for Dee Siam is the margin assigned to all other producers and exporters.¹¹

⁹ See Issues and Decision Memorandum at Comment 5.

¹⁰ See Issues and Decision Memorandum at "Application of Facts Available and Use of Adverse Inferences."

¹¹ See, *e.g.*, *Steel Threaded Rod from Thailand: Preliminary Determination of Sales at Less Than Fair Value and Affirmative Preliminary Determination of Critical Circumstances*, 78 FR 79670, 79671 (December 31, 2013), unchanged in *Steel Threaded Rod from Thailand: Final Determination of Sales at Less Than Fair Value and Affirmative Final Determination of Critical Circumstances*, 79 FR 14476, 14477 (March 14, 2014).

Final Determination

Commerce determines that the following estimated weighted-average dumping margins exist:

Producer/exporter	Weighted-average dumping margin (percent)	Cash deposit rate (percent) ¹²
Dee Siam Manufacturing Co., Ltd.	72.85	72.85
Panus Assembly Co., Ltd.	* 129.63	* 129.63
All Others	72.85	72.85

* This rate is based on facts available with adverse inferences.

Disclosure

Commerce intends to disclose the calculations performed in connection with this final determination to interested parties within five days of any public announcement or, if there is no public announcement, within five days of the date of publication of this notice in the **Federal Register**, in accordance with 19 CFR 351.224(b).

Suspension of Liquidation

In accordance with section 733(d)(1)(B) of the Act, Commerce instructed U.S. Customs and Border Protection (CBP) to suspend liquidation of all entries of subject merchandise, as described in Appendix I of this notice, which were entered, or withdrawn from warehouse, for consumption on or after September 29, 2025, the date of publication of the *Preliminary Determination* in the **Federal Register**. In accordance with section 733(d) of the Act, we instructed CBP to discontinue the suspension of liquidation of all entries of subject merchandise entered or withdrawn from warehouse, on or after March 28, 2026, but to continue the suspension of liquidation of all entries of subject merchandise on or before March 27, 2026. If the U.S.

International Trade Commission (ITC) issues a final affirmative injury determination, we will issue an AD order, reinstate the suspension of liquidation under section 736(a) of the Act, and require a cash deposit of estimated antidumping duties for such entries of subject merchandise, as follows: (1) the cash deposit rate for subject merchandise exported by one of the companies listed in the table above is the company-specific estimated weighted-average dumping margin listed for the company in the table; (2) if the exporter of the subject merchandise is not listed in the table above, but the producer is, then the cash deposit rate will be the company-specific estimated weighted-average dumping margin listed for the producer of the subject merchandise in the table above; and (3) the cash deposit rate for all other producers and exporters is the all-others estimated weighted-average dumping margin listed in the table above. If the ITC determines that material injury, or threat of material injury, does not exist, then this proceeding will be terminated, the suspension of liquidation will be lifted, and all cash deposits for estimated antidumping duties will be refunded.

ITC Notification

In accordance with section 735(d) of the Act, we will notify the ITC of our final affirmative determination of sales at LTFV. Because the final determination in this proceeding is affirmative, in accordance with section 735(b)(2) of the Act, the ITC will make its final determination as to whether the domestic industry in the United States is materially injured, or threatened with material injury, by reason of imports of epoxy resins from Thailand no later than 45 days after this final determination. If the ITC determines that material injury or threat of material injury does not exist, the proceeding will be terminated and all cash deposits will be refunded or canceled, and suspension of liquidation will be lifted.

If the ITC determines that such injury does exist, Commerce will issue an AD order directing CBP to assess, upon further instruction by Commerce, antidumping duties on all imports of the subject merchandise that are entered, or withdrawn from warehouse, for consumption on or after the effective date of the suspension of liquidation, as discussed above in the “Suspension of Liquidation” section.

Administrative Protective Order

This notice will serve as the only reminder to parties subject to an APO of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3). Timely written notification of the return or destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and terms of an APO is a sanctionable violation.

Notification to Interested Parties

This final determination and notice are issued and published in accordance with sections 735(d) and 777(i) of the Act, and 19 CFR 351.210(c).

Dated: April 20, 2026.

Christopher Abbott,
Deputy Assistant Secretary for Policy and Negotiations, performing the non-exclusive functions and duties of the Assistant Secretary for Enforcement and Compliance.

Appendix I

Scope of the Investigation

The merchandise covered by this investigation consists of chassis and subassemblies thereof whether finished or unfinished, whether assembled or unassembled, whether coated or uncoated, regardless of the number of axles, for carriage of containers, or other payloads (including self-supporting payloads) for road, marine roll-on/roll-off (RORO) and/or rail transport. Chassis are typically, but are not limited to, rectangular framed trailers with a suspension and axle system, wheels and tires, brakes, a lighting and electrical system, a coupling for towing behind a truck tractor, and a locking

¹²To determine the cash deposit rate, Commerce normally adjusts the estimated weighted-average dumping margin by the amount of export subsidies countervailed in a companion countervailing duty (CVD) proceeding, when CVD provisional measures are in effect. Accordingly, where Commerce has made a final affirmative determination for countervailable export subsidies, Commerce offsets the estimated weighted-average dumping margin by the appropriate CVD rate. However, in the final determination of the companion CVD investigation of chassis from Thailand, we found no export subsidies for Dee Siam. As an extension of adverse inference, pursuant to section 776(b) of the Act, Commerce adjusted Panus’s cash deposit rate by the lowest export subsidy rate determined in the CVD investigation, which is zero percent. See unpublished **Federal Register** notice entitled, “Certain Chassis and Subassemblies Thereof from Thailand: Final Affirmative Countervailing Duty Determination,” signed and dated concurrently with this **Federal Register** notice. Therefore, Commerce has not adjusted the antidumping duty (AD) cash deposit rate for export subsidies in the companion CVD investigation.

system or systems to secure the shipping container or containers to the chassis using twistlocks, slide pins or similar attachment devices to engage the corner fittings on the container or other payload.

Subject merchandise includes, but is not limited to, the following subassemblies:

- Chassis frames, or sections of chassis frames, including kingpin assemblies, bolsters consisting of transverse beams with locking or support mechanisms, goosenecks, drop assemblies, extension mechanisms and/or rear impact guards;
- Running gear assemblies or axle assemblies for connection to the chassis frame, whether fixed in nature or capable of sliding fore and aft or lifting up and lowering down, which may or may not include suspension(s) (mechanical or pneumatic), wheel end components, slack adjusters, dressed axles, brake chambers, locking pins, and tires and wheels; and
- Assemblies that connect to the chassis frame or a section of the chassis frame, such as but not limited to, pintle hooks or B-trains (which include a fifth wheel), which are capable of connecting a chassis to a converter dolly or another chassis.

Importation of any of these subassemblies, whether assembled or unassembled, constitutes an unfinished chassis for purposes of this investigation.

Subject merchandise also includes chassis, whether finished or unfinished, entered with components such as, but not limited to: hub and drum assemblies, brake assemblies (either drum or disc), bare axles, brake chambers, suspensions and suspension components, wheel end components, landing gear legs, spoke or disc wheels, tires, brake control systems, electrical harnesses and lighting systems.

Processing of finished and unfinished chassis and components such as trimming, cutting, grinding, notching, punching, drilling, painting, coating, staining, finishing, assembly, or any other processing either in the country of manufacture of the in-scope product or in a third country does not remove the product from the scope. Inclusion of other components not identified as comprising the finished or unfinished chassis does not remove the product from the scope.

Individual components entered and sold by themselves are not subject to the investigation, but components entered with a finished or unfinished chassis are subject merchandise. A finished chassis is ultimately comprised of several different types of subassemblies. Within each subassembly there are numerous components that comprise a given subassembly.

This scope excludes dry van trailers, refrigerated van trailers and flatbed trailers. Dry van trailers are trailers with a wholly enclosed cargo space comprised of fixed sides, nose, floor and roof, with articulated panels (doors) across the rear and occasionally at selected places on the sides, with the cargo space being permanently incorporated in the trailer itself. Refrigerated van trailers are trailers with a wholly enclosed cargo space comprised of fixed sides, nose, floor and roof, with articulated panels (doors) across the rear and occasionally at selected places on the sides,

with the cargo space being permanently incorporated in the trailer and being insulated, possessing specific thermal properties intended for use with self-contained refrigeration systems. Flatbed (or platform) trailers consist of load carrying main frames and a solid, flat or stepped loading deck or floor permanently incorporated with and supported by frame rails and cross members.

The scope also excludes fully and permanently assembled trailers that have permanently incorporated floors welded to the frame without a locking mechanism, a gross axle weight ratings of 8,000 lbs or less, and that connect to Federal Highway Administration Class 3 or Class 5 vehicles with a coupler rated for SAE J684 Standard Class 4, whether entered with or without neck, ramp, dove tail, or dump/safety arm components. The scope also excludes fully dressed axle subassemblies with a gross axle weight rating of 8,000 lbs or less, an outer diameter of the axle beam of three inches or less, and eight or fewer lug nuts.

The finished and unfinished chassis subject to this investigation are typically classified in the Harmonized Tariff Schedule of the United States (HTSUS) at subheadings: 8716.39.0090 and 8716.90.5060. Imports of finished and unfinished chassis may also enter under HTSUS subheading 8716.90.5010. While the HTSUS subheadings are provided for convenience and customs purposes, the written description of the merchandise under investigation is dispositive.

Appendix II

List of Topics Discussed in the Final Decision Memorandum

- I. Summary
- II. Background
- III. Changes Since the *Preliminary Determination*
- IV. Discussion of the Issues
 - Comment 1: Dee Siam's Further Manufacturing General and Administrative (G&A) and Indirect Selling Expense Ratios
 - Comment 2: Whether to Exclude Non-Subject Expenses from Dee Siam's Further Manufacturing G&A Ratio
 - Comment 3: Whether to Grant Dee Siam a Constructed Export Price (CEP) Offset
 - Comment 4: Constructed Value (CV) Profit and Selling Expenses
 - Comment 5: Whether to Apply Total Adverse Facts Available (AFA) to Panus
- V. Recommendation

[FR Doc. 2026-08041 Filed 4-23-26; 8:45 am]

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DEPARTMENT OF COMMERCE

International Trade Administration

[C-549-855]

Certain Chassis and Subassemblies Thereof From the Kingdom of Thailand: Final Affirmative Countervailing Duty Determination

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

SUMMARY: The U.S. Department of Commerce (Commerce) determines that countervailable subsidies are being provided to producers and exporters of certain chassis and subassemblies thereof (chassis) from the Kingdom of Thailand (Thailand). The period of investigation (POI) is January 1, 2024, through December 31, 2024.

DATES: Applicable April 24, 2026.

FOR FURTHER INFORMATION CONTACT: Ian Riggs or Caroline Carroll, AD/CVD Operations, Office IX, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue NW, Washington, DC 20230; telephone: (202) 482-3810 or (202) 482-4948, respectively.

SUPPLEMENTARY INFORMATION:

Background

On August 1, 2025, Commerce published the *Preliminary Determination* in the *Federal Register* and invited interested parties to comment.¹ In accordance with section 705(a)(1) of the Tariff Act of 1930, as amended (the Act), and 19 CFR 351.210(b)(4), Commerce aligned the final countervailing duty (CVD) determination with the final determination in the less-than-fair-value investigation of chassis from Thailand.²

Due to the lapse in appropriations and Federal Government shutdown, on November 14, 2025, Commerce tolled all deadlines in administrative proceedings by 47 days. Additionally, due to a backlog of documents that were electronically filed via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS) during the Federal Government shutdown, on November 24, 2025, Commerce tolled all deadlines in

¹ See *Certain Chassis and Subassemblies Thereof from the Kingdom of Thailand: Preliminary Affirmative Countervailing Duty Determination and Alignment of Final Determination With Final Antidumping Duty Determination*, 90 FR 36132 (August 1, 2025) (*Preliminary Determination*), and accompanying Preliminary Decision Memorandum (PDM).

² See *Preliminary Determination*, 90 FR at 36133.

administrative proceedings by an additional 21 days. Accordingly, the deadline for this final determination is now April 20, 2026.

On January 12, 2026, Commerce released its Post-Preliminary Analysis.³ For a complete discussion of the events that followed the *Preliminary Determination*, see the Issues and Decision Memorandum.⁴ The Issues and Decision Memorandum is a public document and is made available to the public via ACCESS. ACCESS is available to registered users at <https://access.trade.gov>. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly at <https://access.trade.gov/frnotices>.

Scope of the Investigation

The products covered by the scope of this investigation are chassis from Thailand. For a complete description of the scope of this investigation, see Appendix I.

Scope Comments

During the course of this investigation, Commerce received scope comments from interested parties. Commerce issued a Preliminary Scope Decision Memorandum to address these comments and set aside a period of time for parties to address scope issues in scope-specific case and rebuttal briefs.⁵ Between August and September 2025, Commerce received scope case and rebuttal briefs from interested parties.⁶ On February 10, 2026, the petitioner requested a scope exclusion.⁷ After analyzing these comments, we made changes to the scope of the investigation published in the *Preliminary Determination*, as noted in Appendix I.⁸

³ See Memorandum, “Post-Preliminary Analysis in the Countervailing Duty Investigation of Certain Chassis and Subassemblies Thereof from the Kingdom of Thailand,” dated January 12, 2026 (Post-Preliminary Analysis).

⁴ See Memorandum, “Issues and Decision Memorandum for the Final Determination of the Countervailing Duty Investigation of Certain Chassis and Subassemblies Thereof from the Kingdom of Thailand,” dated concurrently with, and hereby adopted by, this notice (Issues and Decision Memorandum).

⁵ See Memorandum, “Less Than Fair Value and Countervailing Duty Investigations of Certain Chassis and Subassemblies Thereof from Mexico, Thailand, and the Socialist Republic of Vietnam: Preliminary Scope Decision Memorandum,” dated July 28, 2025 (Preliminary Scope Decision Memorandum).

⁶ See PJ Trailers Seminole Inc.’s Letter, “PJ Trailers Seminole Inc.’s Scope Case Brief,” dated August 27, 2025; see also Hyundai de Mexico S.A. de C.V.’s Letter, “HT’s Scope Case Brief,” dated August 27, 2025; and Petitioner’s Letter, “Scope Rebuttal Brief,” dated September 5, 2025.

⁷ See Petitioner’s Letter, “Request Scope Exclusion,” dated February 10, 2026.

⁸ See Memorandum, “Less Than Fair Value and Countervailing Duty Investigations of Certain

Verification

As provided in section 782(i) of the Act, in September 2025, Commerce conducted verification of the subsidy information reported by the Royal Thai Government (RTG), Dee Siam Manufacturing Co., Ltd. (Dee Siam), and Panus Assembly Co., Ltd. (Panus) for use in our final determination. We used standard verification procedures, including an examination of relevant accounting records and original source documents provided by Dee Siam, Panus, and the RTG.⁹

Analysis of Subsidy Programs and Comments Received

The subsidy programs under investigation, and the issues raised in the case and rebuttal briefs that were submitted by interested parties in this investigation, are discussed in the Issues and Decision Memorandum. For a list of the issues addressed in the Issues and Decision Memorandum, see Appendix II.

Methodology

Commerce conducted this investigation in accordance with section 701 of the Act. For each of the subsidy programs found to be countervailable, Commerce determines that there is a subsidy, *i.e.*, a financial contribution by an “authority” that gives rise to a benefit to the recipient, and that the subsidy is specific.¹⁰ For a full description of the methodology underlying our final determination, see the Issues and Decision Memorandum.

In making this final determination, Commerce relied, in part, on facts otherwise available, including with an adverse inference, pursuant to sections 776(a) and (b) of the Act. For a full discussion of our application of adverse facts available (AFA), see the Issues and Decision Memorandum at the section entitled “Uses of Facts Available and Application of Adverse Inferences.”

Changes Since the Preliminary Determination

Based on our review and analysis of the information examined at verification

Chassis and Subassemblies Thereof from Mexico, Thailand, and the Socialist Republic of Vietnam: Final Scope Decision Memorandum,” dated concurrently with this notice.

⁹ See Memorandum, “Verification of the Questionnaire Responses of Dee Siam Manufacturing Co., Ltd.,” dated March 4, 2026; see also Memorandum, “Verification of the Questionnaire Responses of Panus Assembly Co., Ltd.,” dated February 10, 2026; and Memorandum, “Verification of the Questionnaire Responses of the Royal Thai Government,” dated March 3, 2026.

¹⁰ See sections 771(5)(B) and (D) of the Act regarding financial contribution; see also section 771(5)(E) of the Act regarding benefit; and section 771(5A) of the Act regarding specificity.

and comments received from interested parties, we made changes to the subsidy rate calculations for Dee Siam, Panus, and for all other producers/exporters. For a discussion of these changes, see the Issues and Decision Memorandum.

All-Others Rate

In accordance with section 705(c)(1)(B)(i) of the Act, we calculated an individual estimated countervailable subsidy rate for the two mandatory respondents, Dee Siam and Panus. Section 705(c)(5)(A)(i) of the Act states that, for companies not individually investigated, Commerce will determine an all-others rate equal to the weighted-average countervailable subsidy rates established for exporters and/or producers individually investigated, excluding any zero and *de minimis* countervailable subsidy rates, and any rates determined entirely under section 776 of the Act.

In this investigation, we continue to calculate individual total net countervailable subsidy rates for Dee Siam and Panus that are not zero, *de minimis*, or based entirely on facts otherwise available. Therefore, we continue to calculate the all-others rate using a weighted average of the individual estimated subsidy rates calculated for the examined respondents using each company’s publicly-ranged sales value for their exports to the United States of subject merchandise,¹¹ in accordance with section 705(c)(5)(A)(i) of the Act.

Final Determination

Commerce determines that the following estimated countervailable subsidy rates exist for the period January 1, 2024, through December 31, 2024:

¹¹ With two respondents under examination, Commerce normally calculates: (A) a weighted-average of the estimated subsidy rates calculated for the examined respondents; (B) a simple average of the estimated subsidy rates calculated for the examined respondents; and (C) a weighted-average of the estimated subsidy rates calculated for the examined respondents using each company’s publicly-ranged U.S. sale quantities for the merchandise under consideration. Commerce then compares (B) and (C) to (A) and selects the rate closest to (A) as the most appropriate rate for all other producers and exporters. See, e.g., *Ball Bearings and Parts Thereof from France, Germany, Italy, Japan, and the United Kingdom: Final Results of Antidumping Administrative Reviews, Final Results of Changed-Circumstances Review, and Revocation of an Order in Part*, 75 FR 53661, 53663 (September 1, 2010); see also *Forged Steel Fluid End Blocks from Italy: Preliminary Affirmative Countervailing Duty Determination, and Alignment of Final Determination with Final Antidumping Duty Determination*, 85 FR 31460, 31461 (May 26, 2020), unchanged in *Forged Steel Fluid End Blocks from Italy: Final Affirmative Countervailing Duty Determination*, 85 FR 80022, 80023 (December 11, 2020).

Company	Subsidy rate (percent <i>ad valorem</i>)
Dee Siam Manufacturing Co., Ltd.	10.72
Panus Assembly Co., Ltd.	9.65
All Others	10.50

Disclosure

Commerce intends to disclose its calculations performed to interested parties in this final determination within five days of its public announcement or, if there is no public announcement, within five days of the date of the publication of this notice in the **Federal Register**, in accordance with 19 CFR 351.224(b).

Suspension of Liquidation

As a result of our *Preliminary Determination*, and pursuant to sections 703(d)(1)(B) and (d)(2) of the Act, we instructed U.S. Customs and Border Protection (CBP) to collect cash deposits and suspend liquidation of entries of subject merchandise from Thailand that were entered, or withdrawn from warehouse, for consumption, on or after August 1, 2025, the date of the publication of the *Preliminary Determination* in the **Federal Register**.¹² In accordance with section 703(d) of the Act, we instructed CBP to discontinue the suspension of liquidation of all entries of subject merchandise entered or withdrawn from warehouse, on or after November 29, 2025, but to continue the suspension of liquidation of all entries of subject merchandise on or before November 28, 2025.

If the U.S. International Trade Commission (ITC) issues a final affirmative injury determination, we will issue a CVD order, reinstate the suspension of liquidation under section 706(a) of the Act, and require a cash deposit of estimated countervailing duties for entries of subject merchandise in the amounts indicated above. Pursuant to section 705(c)(2) of the Act, if the ITC determines that material injury, or threat of material injury, does not exist, this proceeding will be terminated, and all estimated duties deposited or securities posted as a result of the suspension of liquidation will be refunded or cancelled.

ITC Notification

In accordance with section 705(d) of the Act, Commerce will notify the ITC of its final affirmative determination that countervailable subsidies are being provided to producers and exporters of chassis from Thailand. As Commerce's

final determination is affirmative, in accordance with section 705(b) of the Act, the ITC will determine, within 45 days, whether the domestic industry in the United States is materially injured, or threatened with material injury, by reason of import of chassis from Thailand. In addition, we are making available to the ITC all non-privileged and non-proprietary information in our files, provided the ITC confirms that it will not disclose such information, either publicly or under administrative protective order (APO), without the written consent of the Assistant Secretary for Enforcement and Compliance.

If the ITC determines that material injury or threat of material injury does not exist, this proceeding will be terminated and all cash deposits will be refunded. If the ITC determines that such injury does exist, Commerce will issue a CVD directing CBP to assess, upon further instruction by Commerce, countervailing duties on all imports of the subject merchandise that are entered, or withdrawn, for consumption on or after the effective date of the suspension of liquidation, as discussed above in the "Suspension of Liquidation" section.

Administrative Protective Order

This notice will serve as the only reminder to parties subject to the APO of their responsibility concerning the destruction of proprietary information disclosed under APO, in accordance with 19 CFR 351.305(a)(3). Timely written notification of the return/destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and terms of an APO is a violation which is subject to sanction.

Notification to Interested Parties

This determination is issued and published in accordance with sections 705(d) and 777(i) of the Act, and 19 CFR 351.210(c).

Dated: April 20, 2026.

Christopher Abbott,

Deputy Assistant Secretary for Policy and Negotiations, performing the non-exclusive functions and duties of the Assistant Secretary for Enforcement and Compliance.

Appendix I

Scope of the Investigation

The merchandise covered by this investigation consists of chassis and subassemblies thereof whether finished or unfinished, whether assembled or unassembled, whether coated or uncoated, regardless of the number of axles, for carriage of containers, or other payloads (including

self-supporting payloads) for road, marine roll-on/roll-off (RORO) and/or rail transport. Chassis are typically, but are not limited to, rectangular framed trailers with a suspension and axle system, wheels and tires, brakes, a lighting and electrical system, a coupling for towing behind a truck tractor, and a locking system or systems to secure the shipping container or containers to the chassis using twistlocks, slide pins or similar attachment devices to engage the corner fittings on the container or other payload.

Subject merchandise includes, but is not limited to, the following subassemblies:

- Chassis frames, or sections of chassis frames, including kingpin assemblies, bolsters consisting of transverse beams with locking or support mechanisms, goosenecks, drop assemblies, extension mechanisms and/or rear impact guards;
- Running gear assemblies or axle assemblies for connection to the chassis frame, whether fixed in nature or capable of sliding fore and aft or lifting up and lowering down, which may or may not include suspension(s) (mechanical or pneumatic), wheel end components, slack adjusters, dressed axles, brake chambers, locking pins, and tires and wheels; and
- Assemblies that connect to the chassis frame or a section of the chassis frame, such as but not limited to, pintle hooks or B-trains (which include a fifth wheel), which are capable of connecting a chassis to a converter dolly or another chassis.

Importation of any of these subassemblies, whether assembled or unassembled, constitutes an unfinished chassis for purposes of this investigation.

Subject merchandise also includes chassis, whether finished or unfinished, entered with components such as, but not limited to: hub and drum assemblies, brake assemblies (either drum or disc), bare axles, brake chambers, suspensions and suspension components, wheel end components, landing gear legs, spoke or disc wheels, tires, brake control systems, electrical harnesses and lighting systems.

Processing of finished and unfinished chassis and components such as trimming, cutting, grinding, notching, punching, drilling, painting, coating, staining, finishing, assembly, or any other processing either in the country of manufacture of the in-scope product or in a third country does not remove the product from the scope. Inclusion of other components not identified as comprising the finished or unfinished chassis does not remove the product from the scope.

Individual components entered and sold by themselves are not subject to the investigation, but components entered with a finished or unfinished chassis are subject merchandise. A finished chassis is ultimately comprised of several different types of subassemblies. Within each subassembly there are numerous components that comprise a given subassembly.

This scope excludes dry van trailers, refrigerated van trailers and flatbed trailers. Dry van trailers are trailers with a wholly enclosed cargo space comprised of fixed sides, nose, floor and roof, with articulated panels (doors) across the rear and occasionally at selected places on the sides,

¹² See *Preliminary Determination*, 90 FR at 36133.

with the cargo space being permanently incorporated in the trailer itself. Refrigerated van trailers are trailers with a wholly enclosed cargo space comprised of fixed sides, nose, floor and roof, with articulated panels (doors) across the rear and occasionally at selected places on the sides, with the cargo space being permanently incorporated in the trailer and being insulated, possessing specific thermal properties intended for use with self-contained refrigeration systems. Flatbed (or platform) trailers consist of load carrying main frames and a solid, flat or stepped loading deck or floor permanently incorporated with and supported by frame rails and cross members.

The scope also excludes fully and permanently assembled trailers that have permanently incorporated floors welded to the frame without a locking mechanism, a gross axle weight ratings of 8,000 lbs or less, and that connect to Federal Highway Administration Class 3 or Class 5 vehicles with a coupler rated for SAE J684 Standard Class 4, whether entered with or without neck, ramp, dove tail, or dump/safety arm components. The scope also excludes fully dressed axle subassemblies with a gross axle weight rating of 8,000 lbs or less, an outer diameter of the axle beam of three inches or less, and eight or fewer lug nuts.

The finished and unfinished chassis subject to this investigation are typically classified in the Harmonized Tariff Schedule of the United States (HTSUS) at subheadings: 8716.39.0090 and 8716.90.5060. Imports of finished and unfinished chassis may also enter under HTSUS subheading 8716.90.5010. While the HTSUS subheadings are provided for convenience and customs purposes, the written description of the merchandise under investigation is dispositive.

Appendix II

List of Topics Discussed in the Issues and Decision Memorandum

- I. Summary
- II. Background
- III. Subsidies Valuation
- IV. Use of Facts Available and Adverse Inferences
- V. Analysis of Programs
- VI. Discussion of the Issues

Comment 1: Whether Commerce Has the Legal Authority to Countervail Transnational Subsidies

Comment 2: Whether to Apply Facts Available to the Government of the People's Republic of China (China) (GOC) for the Provision of Steel Inputs for Less Than Adequate Remuneration (LTAR) and Investments from Belt and Road Initiative (BRI) Investment Funds Programs

Comment 3: Whether Sahaviriya Steel Industries PLC (SSI) is an "Authority" that Provides a Financial Contribution Through the Provision of Hot-Rolled Sheet for LTAR

Comment 4: Whether to Make Certain Changes to Dee Siam's and Panus' Sales Denominators

Comment 5: Whether to Apply Adverse Facts Available (AFA) to Dee Siam's and

Panus' Purchases of Angles, Beams, Channels, and Tubes for LTAR

Comment 6: Whether to Make Certain Changes to the Calculation of Dee Siam's Benefit for the Transnational Provision of Angles, Beams, Channels, and Tubes for LTAR

Comment 7: Whether Dee Siam Was Equityworthy

Comment 8: Whether to Countervail Dee Siam's Purchases of Chassis and Subassemblies

Comment 9: Whether to Apply AFA to Panus for Errors Related to Benefits Received from the Export-Import Bank of Thailand (EXIM Thailand)

Comment 10: Whether to Apply AFA to Panus for Errors in its Reported Hot-Rolled Sheet Purchases

Comment 11: Whether to Apply AFA to Panus for Unreported Free Zone Incentives

Comment 12: Whether Panus' Use of the Program Management Unit for Competitive (PMU-C) Grants Program is Tied to Non-Subject Merchandise

Comment 13: Whether to Apply AFA to Panus for Errors Related to the PMU-C Grants Program

VII. Recommendation

[FR Doc. 2026-08042 Filed 4-23-26; 8:45 am]

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DEPARTMENT OF COMMERCE

International Trade Administration

[C-580-882]

Certain Cold-Rolled Steel Flat Products From the Republic of Korea: Preliminary Results and Rescission, in Part, of Countervailing Duty Administrative Review; 2023; Correction

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

ACTION: Notice; correction.

SUMMARY: The U.S. Department of Commerce (Commerce) published notice in the **Federal Register** of March 5, 2026, in which Commerce announced the preliminary results of the 2023 administrative review of the countervailing duty (CVD) order on certain cold-rolled steel flat products (CRS) from the Republic of Korea (Korea). This notice corrects the name of one of the companies for which this review was rescinded.

FOR FURTHER INFORMATION CONTACT: Christopher Doyle, AD/CVD Operations, Office IX, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue NW, Washington, DC 20230; telephone: (202) 482-5882.

SUPPLEMENTARY INFORMATION:

Background

On March 5, 2026, Commerce published in the **Federal Register** the *Preliminary Results* of the 2023 CVD administrative review of CRS from Korea.¹ In the *Preliminary Results* **Federal Register** notice, we incorrectly listed the name of POSCO C&C Co., Ltd., a company for which we rescinded the review, as "POSCO C&C, Ltd."

Correction

In the **Federal Register** of March 5, 2026, in FR Doc 2026-04328, on page 10797, in the second column, correct the name "POSCO C&C, Ltd." to be "POSCO C&C Co., Ltd."

Notification to Interested Parties

This correction of preliminary results is issued and published in accordance with sections 751(a)(1) and 777(i)(1) of the Tariff Act of 1930, as amended, and 19 CFR 351.221(b)(4).

Dated: April 21, 2026.

Christopher Abbott,

Deputy Assistant Secretary for Policy and Negotiations, performing the non-exclusive functions and duties of the Assistant Secretary for Enforcement and Compliance.

[FR Doc. 2026-08036 Filed 4-23-26; 8:45 am]

BILLING CODE 3510-DS-P

DEPARTMENT OF COMMERCE

International Trade Administration

[C-201-866]

Certain Chassis and Sub assemblies There of From Mexico: Final Affirmative Countervailing Duty Determination

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

SUMMARY: The U.S. Department of Commerce (Commerce) determines that countervailable subsidies are being provided to producers and exporters of certain chassis and subassemblies thereof (chassis) from Mexico. The period of investigation is January 1, 2024, through December 31, 2024.

DATES: Applicable April 24, 2026.

FOR FURTHER INFORMATION CONTACT: Jose Rivera, AD/CVD Operations, Office VII, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401

¹ See *Certain Cold-Rolled Steel Flat Products From Republic of Korea: Preliminary Results and Rescission, in Part, of Countervailing Duty Administrative Review; 2023*, 91 FR 10795 (March 5, 2026) (*Preliminary Results*).

Constitution Avenue NW, Washington, DC 20230; telephone: (202) 482-0842.

SUPPLEMENTARY INFORMATION:

Background

On August 1, 2025, Commerce published the *Preliminary Determination* in the **Federal Register** and invited interested parties to comment.¹ In accordance with section 701(a)(1) of the Tariff Act of 1930, as amended (the Act), and 19 CFR 351.210(b)(4), Commerce aligned the final countervailing duty (CVD) determination with the final determination in the companion less-than-fair-value investigation of chassis from Mexico.²

Due to the lapse in appropriations and Federal Government shutdown, on November 14, 2025, Commerce tolled all deadlines in administrative proceedings by 47 days.³ Additionally, due to a backlog of documents that were electronically filed via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS) during the Federal Government shutdown, on November 24, 2025, Commerce tolled all deadlines in administrative proceedings by an additional 21 days.⁴ Accordingly, the deadline for this final determination is now April 20, 2026.

For a complete description of the events that followed the *Preliminary Determination*, see the Issues and Decision Memorandum.⁵ The Issues and Decision Memorandum is a public document and is on file electronically via ACCESS. ACCESS is available to registered users at <https://access.trade.gov>. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly at <https://access.trade.gov/frnotices>.

Scope of the Investigation

The products covered by this investigation are chassis from Mexico.

¹ See *Certain Chassis and Subassemblies Thereof from Mexico: Preliminary Affirmative Countervailing Duty Determination and Alignment of Final Determination With Final Antidumping Duty Determination*, 90 FR 36137 (August 1, 2025), and accompanying Preliminary Decision Memorandum.

² See *Preliminary Determination*, 90 FR at 36137.

³ See Memorandum, "Deadlines Affected by the Shutdown of the Federal Government," dated November 14, 2025.

⁴ See Memorandum, "Tolling of all Case Deadlines," dated November 24, 2025.

⁵ See Memorandum, "Issues and Decision Memorandum for the Final Affirmative Determination in the Countervailing Duty Investigation of Chassis and Subassemblies Thereof from Mexico," dated concurrently with, and hereby adopted by, this notice (Issues and Decision Memorandum).

For a complete description of the scope of this investigation, see Appendix I.

Scope Comments

During the course of this investigation, Commerce received scope comments from interested parties. Commerce issued a Preliminary Scope Decision Memorandum to address these comments and set aside a period of time for parties to address scope issues in scope-specific case and rebuttal briefs.⁶ Between August 2025 and September 2025, Commerce received scope case and rebuttal briefs from interested parties.⁷ On February 10, 2026, the petitioner requested a scope exclusion.⁸ After analyzing these comments, we made changes to the scope of the investigation published in the *Preliminary Determination*, as noted in Appendix I.⁹

Analysis of Subsidy Programs and Comments Received

The subsidy programs under investigation, and the issues raised in the case and rebuttal briefs submitted by parties in this investigation, are discussed in the Issues and Decision Memorandum. For a list of the issues raised by parties, and to which we responded in the Issues and Decision Memorandum, see Appendix II.

Methodology

Commerce conducted this investigation in accordance with section 701 of the Act. For each of the subsidy programs found countervailable, Commerce determines that there is a subsidy, *i.e.*, a financial contribution by an "authority" that gives rise to a benefit to the recipient, and that the subsidy is specific.¹⁰ For a full description of the methodology underlying our preliminary

⁶ See Memorandum, "Less Than Fair Value and Countervailing Duty Investigations of Certain Chassis and Subassemblies Thereof from Mexico, Thailand, and the Socialist Republic of Vietnam: Preliminary Scope Decision Memorandum," dated July 28, 2025 (Preliminary Scope Decision Memorandum).

⁷ See PJ Trailers Seminole Inc.'s Letter, "PJ Trailers Seminole Inc.'s Scope Case Brief," dated August 27, 2025; see also Hyundai de Mexico S.A. de C.V.'s Letter, "HT's Scope Case Brief," dated August 27, 2025; and Petitioner's Letter, "Scope Rebuttal Brief," dated September 5, 2025.

⁸ See Petitioner's Letter, "Request Scope Exclusion," dated February 10, 2026.

⁹ See Memorandum, "Less Than Fair Value and Countervailing Duty Investigations of Certain Chassis and Subassemblies Thereof from Mexico, Thailand, and the Socialist Republic of Vietnam: Final Scope Decision Memorandum," dated concurrently with this notice.

¹⁰ See sections 771(5)(B) and (D) of the Act regarding financial contribution; section 771(5)(E) of the Act regarding benefit; and section 771(5A) of the Act regarding specificity.

determination, see the Issues and Decision Memorandum.

In making this final determination, Commerce relied on facts otherwise available, including with an adverse inference, pursuant to sections 776(a) and (b) of the Act. For a full discussion of our application of adverse facts available (AFA), see the "Use of Facts Otherwise Available and Application of Adverse Inferences" section in the Issues and Decision Memorandum.

Changes Since the Preliminary Determination

For this final determination, we revised the AFA rate from the *Preliminary Determination* applied to the sole mandatory respondent, Hyundai de Mexico S.A. de C.V. (HYMEX), and nine exporters and/or producers of chassis from Mexico that did not respond to the quantity and value (Q&V) questionnaire. For a discussion of these changes, see the Issues and Decision Memorandum.

All-Others Rate

Sections 703(d) and 705(c)(5)(A) of the Act provide that Commerce shall determine an estimated all-others rate for companies not individually examined. This rate shall be an amount equal to the weighted average of the estimated subsidy rates established for those companies individually examined, excluding any zero and *de minimis* rates and any rates based entirely under section 776 of the Act.

Pursuant to section 705(c)(5)(A)(ii) of the Act, if the individual estimated countervailable subsidy rates established for all exporters and producers individually examined are zero, *de minimis*, or determined based entirely on facts otherwise available, Commerce may use "any reasonable method" to establish the estimated subsidy rate for all other producers and/or exporters. In this investigation, the estimated subsidy rate for the individually examined respondents is based entirely on facts otherwise available, pursuant to section 776 of the Act. This is the only rate available in this proceeding for deriving the all-others rate. Consequently, the subsidy rate determined for HYMEX is also assigned as the subsidy rate for all other producers and/or exporters.

Rate for Non-Responsive Companies

The following nine exporters and/or producers of chassis from Mexico did not respond to the Q&V questionnaire: (1) BRD Trailers, S.A. de C.V.; (2) Carrocerias Gallegos S.A. de C.V.; (3) Comercializadora Nimmka; S.A. de C.V. (d/b/a Atro Remolques y

Carroceria); (4) Carrocerias Corpus Christi S.A. DE C.V.; (5) Fruehauf de Mexico; S.A. de C.V.; (6) Lodi Trailers; (7) Norstar Trailers Mexico S de R.L. de C.V. (d/b/a Iron Bull Trailers); (8) Semiremolques El Paisano S.A. de C.V.; and (9) Ventura Trailers (collectively, the non-responsive companies). We find that, by not responding to the Q&V questionnaire, these companies withheld necessary information that was requested of them, failed to provide information within the deadlines established, and significantly impeded this proceeding. Thus, for this final determination, pursuant sections 776(a)(1) and (2)(A)–(C) of the Act, we are basing the countervailable subsidy rate for these non-responsive companies on facts otherwise available.

In addition, we determine that an adverse inference is warranted, pursuant to section 776(b) of the Act. By failing to submit responses to Commerce’s Q&V questionnaire, these companies did not cooperate to the best of their ability in this investigation. Accordingly, we find that an adverse inference is warranted to ensure that these non-responsive companies will not obtain a more favorable result than had they fully complied with our request for information.

Final Determination

Commerce determines that the following estimated countervailable subsidy rates exist:

Company	Subsidy rate (percent <i>ad valorem</i>)
Hyundai de Mexico S.A. de C.V.	*76.91
BRD Trailers, S.A. de C.V.	*76.91
Carrocerias Gallegos S.A. de C.V.	*76.91
Commercializadora Nimmka, S.A. de C.V. (d/b/a Atro Remolques y Carroceria)	*76.91
Carrocerias Corpus Christi S.A. DE C.V.	*76.91
Fruehauf de Mexico, S.A. de C.V.	*76.91
Lodi Trailers	*76.91
Norstar Trailers Mexico S de R.L. de C.V. (d/b/a Iron Bull Trailers)	*76.91
Semiremolques El Paisano S.A. de C.V.	*76.91
Ventura Trailers	*76.91
All Others	76.91

* Rate based on facts available with adverse inferences.

Disclosure

Commerce intends to disclose its calculations and analysis performed to interested parties in this final determination within five days of its

public announcement, or if there is no public announcement, within five days of the date of publication of this notice in the **Federal Register**, in accordance with 19 CFR 351.224(b).

Continuation of Suspension of Liquidation

As a result of our *Preliminary Determination*, and pursuant to sections 703(d)(1)(B) and (d)(2) of the Act, Commerce instructed U.S. Customs and Border Protection (CBP) to collect cash deposits and suspend liquidation of entries of subject merchandise as described in the scope of the investigation section entered, or withdrawn from warehouse, for consumption on or after August 1, 2025, the date of publication of the *Preliminary Determination* in the **Federal Register**. In accordance with section 703(d) of the Act, we instructed CBP to discontinue the suspension of liquidation of all entries of subject merchandise entered or withdrawn from warehouse, on or after November 29, 2025, the first day provisional measures were no longer in effect, but to continue the suspension of liquidation of all entries of subject merchandise on or before November 28, 2025.

If the U.S. International Trade Commission (ITC) issues a final affirmative injury determination, we will issue a CVD order, reinstate the suspension of liquidation under section 706(a) of the Act, and require a cash deposit of estimated countervailing duties for such entries of subject merchandise in the amounts indicated above. Pursuant to section 705(c)(2) of the Act, if the ITC determines that material injury, or threat of material injury, does not exist, this proceeding will be terminated, and all estimated duties deposited or securities posted as a result of the suspension of liquidation will be refunded or canceled.

ITC Notification

In accordance with section 705(d) of the Act, Commerce will notify the ITC of its final affirmative determination that countervailable subsidies are being provided to producers and exporters of chassis from Mexico. As Commerce’s final determination is affirmative, in accordance with section 705(b) of the Act, the ITC will determine, within 45 days, whether the domestic industry in the United States is materially injured, or threatened with material injury, by reason of imports of chassis from Mexico. In addition, we are making available to the ITC all non-privileged and non-proprietary information in our files, provided the ITC confirms that it will not disclose such information,

either publicly or under administrative protective order (APO), without the written consent of the Assistant Secretary for Enforcement and Compliance.

If the ITC determines that material injury or threat of material injury does not exist, this proceeding will be terminated and all cash deposits will be refunded. If the ITC determines that such injury does exist, Commerce will issue a CVD order directing CBP to assess, upon further instruction by Commerce, countervailing duties on all imports of the subject merchandise that are entered, or withdrawn from warehouse, for consumption on or after the effective date of the suspension of liquidation, as discussed in the “Continuation of Suspension of Liquidation” section, above.

Administrative Protective Order

In the event that the ITC issues a final negative injury determination, this notice will serve as the only reminder to parties subject to an APO of their responsibility concerning the destruction of proprietary information disclosed under APO, in accordance with 19 CFR 351.305(a)(3). Timely written notification of the return/destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and terms of an APO is a violation which is subject to sanction.

Notification to Interested Parties

This determination is issued and published pursuant to sections 705(d) and 777(i) of the Act, and 19 CFR 351.210(c).

Dated: April 20, 2026.

Christopher Abbott,
Deputy Assistant Secretary for Policy and Negotiations, performing the non-exclusive functions and duties of the Assistant Secretary for Enforcement and Compliance.

Appendix I

Scope of the Investigation

The merchandise covered by this investigation consists of chassis and subassemblies thereof whether finished or unfinished, whether assembled or unassembled, whether coated or uncoated, regardless of the number of axles, for carriage of containers, or other payloads (including self-supporting payloads) for road, marine roll-on/roll-off (RORO) and/or rail transport. Chassis are typically, but are not limited to, rectangular framed trailers with a suspension and axle system, wheels and tires, brakes, a lighting and electrical system, a coupling for towing behind a truck tractor, and a locking system or systems to secure the shipping container or containers to the chassis using twistlocks, slide pins or similar attachment

devices to engage the corner fittings on the container or other payload.

Subject merchandise includes, but is not limited to, the following subassemblies:

- Chassis frames, or sections of chassis frames, including kingpin assemblies, bolsters consisting of transverse beams with locking or support mechanisms, goosenecks, drop assemblies, extension mechanisms and/or rear impact guards;

- Running gear assemblies or axle assemblies for connection to the chassis frame, whether fixed in nature or capable of sliding fore and aft or lifting up and lowering down, which may or may not include suspension(s) (mechanical or pneumatic), wheel end components, slack adjusters, dressed axles, brake chambers, locking pins, and tires and wheels; and

- Assemblies that connect to the chassis frame or a section of the chassis frame, such as but not limited to, pintle hooks or B-trains (which include a fifth wheel), which are capable of connecting a chassis to a converter dolly or another chassis.

Importation of any of these subassemblies, whether assembled or unassembled, constitutes an unfinished chassis for purposes of this investigation.

Subject merchandise also includes chassis, whether finished or unfinished, entered with components such as, but not limited to: hub and drum assemblies, brake assemblies (either drum or disc), bare axles, brake chambers, suspensions and suspension components, wheel end components, landing gear legs, spoke or disc wheels, tires, brake control systems, electrical harnesses and lighting systems.

Processing of finished and unfinished chassis and components such as trimming, cutting, grinding, notching, punching, drilling, painting, coating, staining, finishing, assembly, or any other processing either in the country of manufacture of the in-scope product or in a third country does not remove the product from the scope. Inclusion of other components not identified as comprising the finished or unfinished chassis does not remove the product from the scope.

Individual components entered and sold by themselves are not subject to the investigation, but components entered with a finished or unfinished chassis are subject merchandise. A finished chassis is ultimately comprised of several different types of subassemblies. Within each subassembly there are numerous components that comprise a given subassembly.

This scope excludes dry van trailers, refrigerated van trailers and flatbed trailers. Dry van trailers are trailers with a wholly enclosed cargo space comprised of fixed sides, nose, floor and roof, with articulated panels (doors) across the rear and occasionally at selected places on the sides, with the cargo space being permanently incorporated in the trailer itself. Refrigerated van trailers are trailers with a wholly enclosed cargo space comprised of fixed sides, nose, floor and roof, with articulated panels (doors) across the rear and occasionally at selected places on the sides, with the cargo space being permanently incorporated in the trailer and being insulated, possessing specific thermal

properties intended for use with self-contained refrigeration systems. Flatbed (or platform) trailers consist of load carrying main frames and a solid, flat or stepped loading deck or floor permanently incorporated with and supported by frame rails and cross members.

The scope also excludes fully and permanently assembled trailers that have permanently incorporated floors welded to the frame without a locking mechanism, a gross axle weight ratings of 8,000 lbs or less, and that connect to Federal Highway Administration Class 3 or Class 5 vehicles with a coupler rated for SAE J684 Standard Class 4, whether entered with or without neck, ramp, dove tail, or dump/safety arm components. The scope also excludes fully dressed axle subassemblies with a gross axle weight rating of 8,000 lbs or less, an outer diameter of the axle beam of three inches or less, and eight or fewer lug nuts.

The finished and unfinished chassis subject to this investigation are typically classified in the Harmonized Tariff Schedule of the United States (HTSUS) at subheadings: 8716.39.0090 and 8716.90.5060. Imports of finished and unfinished chassis may also enter under HTSUS subheading 8716.90.5010. While the HTSUS subheadings are provided for convenience and customs purposes, the written description of the merchandise under investigation is dispositive.

Appendix II

List of Topics Discussed in the Issues and Decision Memorandum

- I. Summary
- II. Background
- III. Changes Since the *Preliminary Determination*
- IV. Use Of Facts Otherwise Available and Adverse Inferences
- V. Discussion of the Issues
 - Comment 1: Whether Commerce Properly Rejected HYMEX's Unreported Toller Information
 - Comment 2: Whether Commerce Should Apply Total Adverse Facts Available (AFA) to HYMEX
 - Comment 3: Whether Commerce Should Find Certain Programs Not Countervailable
- VI. Recommendation

[FR Doc. 2026-08040 Filed 4-23-26; 8:45 am]

BILLING CODE 3510-DS-P

DEPARTMENT OF COMMERCE

International Trade Administration

Subsidy Programs Provided by Countries Exporting Softwood Lumber and Softwood Lumber Products to the United States; Request for Comment Pursuant to the Softwood Lumber Act of 2008

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

SUMMARY: The U.S. Department of Commerce (Commerce) seeks public

comment on any subsidies, including stumpage subsidies, provided by certain countries exporting softwood lumber or softwood lumber products to the United States during the period July 1, 2025, through December 31, 2025. Pursuant to section 805 of title VIII of the Tariff Act of 1930 (the Softwood Lumber Act of 2008), the Secretary of Commerce is mandated to submit to the appropriate Congressional committees a report every 180 days on any subsidy provided by countries exporting softwood lumber or softwood lumber products to the United States, including stumpage subsidies.

DATES: Comments must be submitted by May 26, 2026.

ADDRESSES: All comments must be submitted through the Federal eRulemaking Portal at <https://www.regulations.gov>, Docket No. ITA-2026-0001. The materials in the docket will not be edited to remove identifying or contact information, and Commerce cautions against including any information in an electronic submission that the submitter does not want publicly disclosed. Attachments to electronic comments will be accepted in Microsoft Word, Excel, or Adobe PDF formats only.

All comments should be addressed to Christopher Abbott, Deputy Assistant Secretary for Policy and Negotiations, performing the non-exclusive functions and duties of the Assistant Secretary for Enforcement and Compliance, at the U.S. Department of Commerce, 1401 Constitution Avenue NW, Washington, DC 20230.

FOR FURTHER INFORMATION CONTACT: Kristen Johnson, AD/CVD Operations, Office III, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue NW Washington, DC 20230; telephone: (202) 482-4793.

SUPPLEMENTARY INFORMATION:

Background

Pursuant to section 805 of title VIII of the Tariff Act of 1930 (the Softwood Lumber Act of 2008), the Secretary of Commerce is mandated to submit to the appropriate Congressional committees a report every 180 days on any subsidy provided by countries exporting softwood lumber or softwood lumber products to the United States, including stumpage subsidies. Commerce submitted its last subsidy report to the Congress on January 30, 2026.

Request for Comments

Given the large number of countries that export softwood lumber and softwood lumber products to the United States, we are soliciting public comment

only on subsidies provided by countries which had exports accounting for at least one percent of total U.S. imports of softwood lumber by quantity, as classified under Harmonized Tariff Schedule of the United States (HTSUS) subheadings 4407.1100, 4407.1200, 4407.1300, 4407.1400, and 4407.1900, during the period July 1, 2025, through December 31, 2025. Official U.S. import data, published by the United States International Trade Commission's DataWeb, indicate that seven countries (Austria, Brazil, Canada, Chile, Germany, New Zealand, and Sweden) exported softwood lumber to the United States during that time period in amounts sufficient to account for at least one percent of U.S. imports of softwood lumber products. We intend to rely on similar six-month periods to identify the countries subject to future reports on softwood lumber subsidies. For example, we intend to rely on U.S. imports of softwood lumber and softwood lumber products during the period January 1, 2026, through June 30, 2026, to select the countries subject for the next report.

Under U.S. trade law, a subsidy exists where an authority: (i) provides a financial contribution; (ii) provides any form of income or price support within the meaning of Article XVI of the General Agreements on Tariffs and Trade 1994; or (iii) makes a payment to a funding mechanism to provide a financial contribution to a person, or entrusts or directs a private entity to make a financial contribution, if providing the contribution would normally be vested in the government and the practice does not differ in substance from practices normally followed by governments, and a benefit is thereby conferred.¹

Parties should include in their comments: (1) the country which provided the subsidy; (2) the name of the subsidy program; (3) a brief description (no more than 3–4 sentences) of the subsidy program; and (4) the government body or authority that provided the subsidy.

Dated: April 21, 2026.

Christopher Abbott,

Deputy Assistant Secretary for Policy and Negotiations, performing the non-exclusive functions and duties of the Assistant Secretary for Enforcement and Compliance.
[FR Doc. 2026–08037 Filed 4–23–26; 8:45 am]

BILLING CODE 3510–DS–P

¹ See section 771(5)(B) of the Tariff Act of 1930, as amended.

DEPARTMENT OF COMMERCE

International Trade Administration

[A–201–865]

Certain Chassis and Subassemblies Thereof From Mexico: Final Affirmative Determination of Sales at Less Than Fair Value

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

SUMMARY: The U.S. Department of Commerce (Commerce) determines that imports of certain chassis and subassemblies thereof (chassis) from Mexico are being, or are likely to be, sold in the United States at less than fair value (LTFV). The period of investigation (POI) is January 1, 2024, through December 31, 2024.

DATES: Applicable April 24, 2026.

FOR FURTHER INFORMATION CONTACT: Thomas Cloyd, AD/CVD Operations, Office VII, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue NW, Washington, DC 20230; telephone: (202) 482–1246.

SUPPLEMENTARY INFORMATION:

Background

On September 29, 2025, Commerce published the *Preliminary Determination* in this investigation and invited interested parties to comment.¹ Due to the lapse in appropriations and Federal Government shutdown, on November 14, 2025, Commerce tolled all deadlines in administrative proceedings by 47 days.² Additionally, due to a backlog of documents that were electronically filed via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS) during the Federal Government shutdown, on November 24, 2025, Commerce tolled all deadlines in administrative proceedings by an additional 21 days.³ Accordingly, the deadline for this final determination is now April 20, 2026.

For a complete description of the events that occurred since the

¹ See *Certain Chassis and Subassemblies Thereof from Mexico: Preliminary Affirmative Determination of Sales at Less Than Fair Value, Postponement of Final Determination, and Extension of Provisional Measures*, 90 FR 46557 (September 29, 2025) (*Preliminary Determination*), and accompanying Preliminary Decision Memorandum.

² See Memorandum, “Deadlines Affected by the Shutdown of the Federal Government,” dated November 14, 2025.

³ See Memorandum, “Tolling of all Case Deadlines,” dated November 24, 2025.

Preliminary Determination, see the Issues and Decision Memorandum.⁴ The Issues and Decision Memorandum is a public document and is on file electronically via ACCESS. ACCESS is available to registered users at <https://access.trade.gov>. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly at <https://access.trade.gov/frnotices>.

Scope of the Investigation

The products covered by this investigation are chassis from Mexico. For a complete description of the scope of this investigation, see Appendix I.

Scope Comments

During the course of this investigation, Commerce received scope comments from interested parties. Commerce issued a Preliminary Scope Decision Memorandum to address these comments and set aside a period of time for parties to address scope issues in scope-specific case and rebuttal briefs.⁵ Between August and September 2025, Commerce received scope case and rebuttal briefs from interested parties.⁶ On February 10, 2026, the petitioner requested a scope exclusion.⁷ After analyzing these comments, we made changes to the scope of the investigation published in the *Preliminary Determination*, as noted in Appendix I.⁸

Verification

Because Hyundai de Mexico S.A. de C.V. (HYMEX), the mandatory respondent in this investigation, did not provide information requested by Commerce, and Commerce has determined that HYMEX has been uncooperative, Commerce did not conduct verification. For further

⁴ See Memorandum, “Issues and Decision Memorandum for the Final Affirmative Determination of Sales at Less-Than-Fair-Value in the Investigation of Certain Chassis and Subassemblies Thereof from Mexico,” dated concurrently with, and hereby adopted by, this notice (Issues and Decision Memorandum).

⁵ See Memorandum, “Less Than Fair Value and Countervailing Duty Investigations of Certain Chassis and Subassemblies Thereof from Mexico, Thailand, and the Socialist Republic of Vietnam: Preliminary Scope Decision Memorandum,” dated July 28, 2025 (Preliminary Scope Decision Memorandum).

⁶ See PJ Trailers Seminole Inc.'s Letter, “PJ Trailers Seminole Inc.'s Scope Case Brief,” dated August 27, 2025; see also Hyundai de Mexico S.A. de C.V.'s Letter, “HT's Scope Case Brief,” dated August 27, 2025; and Petitioner's Letter, “Scope Rebuttal Brief,” dated September 5, 2025.

⁷ See Petitioner's Letter, “Request Scope Exclusion,” dated February 10, 2026.

⁸ See Memorandum, “Less Than Fair Value and Countervailing Duty Investigations of Certain Chassis and Subassemblies Thereof from Mexico, Thailand, and the Socialist Republic of Vietnam: Final Scope Decision Memorandum,” dated concurrently with this notice.

information, *see* the Issues and Decision Memorandum.

Analysis of Comments Received

All issues raised in the case and rebuttal briefs submitted by interested parties in this investigation are addressed in the Issues and Decision Memorandum. For a list of the issues addressed in the Issues and Decision Memorandum, *see* Appendix II.

Changes Since the Preliminary Determination

Based on our analysis of the comments received, we have made no changes from the *Preliminary Determination* for this final determination.

All-Others Rate

Section 735(c)(5)(A) of the Tariff Act of 1930, as amended (the Act), provides that the estimated weighted-average dumping margin for all other producers and exporters not individually investigated shall be equal to the weighted average of the estimated weighted-average dumping margins established for exporters and producers individually investigated, excluding rates that are zero, *de minimis*, or determined entirely under section 776 of the Act. When there is no individually calculated dumping margin that is not zero, *de minimis*, or based entirely on facts available, section 735(c)(5)(B) of the Act directs Commerce to “use any reasonable method to establish the estimated all-others rate for exporters and producers not individually investigated.”⁹ The SAA provides that when the dumping margin for all individually investigated

companies are determined entirely on the basis of facts available or are zero or *de minimis*, “[t]he expected method in such cases will be to weight-average the zero and *de minimis* margins and the margins determined pursuant to the facts available, provided that volume data {are} available.”¹⁰ However the SAA also instructs that, “if this {expected} method is not feasible, or if it results in an average that would not be reasonably reflective of potential dumping margins for non-investigated exporters or producers, Commerce may use other reasonable methods.”¹¹

In the *Preliminary Determination*, we assigned a dumping margin of 32.37 percent, the sole estimated dumping margin from the Petition, pursuant to the Initiation Checklist.¹² As noted in the Issues and Decision Memorandum, we received no comments in opposition to the all-others rate established in our *Preliminary Determination*, which is derived from the only reliable information available from which to establish an all-others rate in the absence of an individually-calculated dumping margin that is not zero, *de minimis*, or based entirely on facts available nor information which allows for weight-averaging of more than one margin; thus, use of the sole petition margin conforms to the “any reasonable method” standard. Therefore, we continue to assign a dumping margin of 32.37 percent as the all-others rate for this final determination.

Rate for Non-Responsive Companies

In the *Preliminary Determination*, Commerce found that the following nine exporters and/or producers of chassis

from Mexico withheld necessary information that was requested of them, failed to provide information within the deadlines established, significantly impeded this proceeding, and failed to cooperate to the best of their ability in this investigation by not responding to Commerce’s quantity and value questionnaire: (1) BRD Trailers, S.A. de C.V.; (2) Carrocerias Gallegos S.A. de C.V.; (3) Comercializadora Nimmka; S.A. de C.V. (d/b/a Atro Remolques y Carroceria); (4) Carrocerias Corpus Christi S.A. DE C.V.; (5) Fruehauf de Mexico; S.A. de C.V.; (6) Lodi Trailers; (7) Norstar Trailers Mexico S de R.L. de C.V. (d/b/a Iron Bull Trailers); (8) Semiremolques El Paisano S.A. de C.V.; and (9) Ventura Trailers (collectively, the non-responsive companies). Accordingly, pursuant to sections 776(a)(1) and (2)(A)-(C) of the Act, Commerce based the antidumping duty (AD) rate for the non-responsive companies on facts otherwise available, including adverse inferences pursuant to section 776(b) of the Act. For further information, *see the Preliminary Determination*. We received no comments from interested parties opposing the rate established for the non-responsive companies in the *Preliminary Determination* and accordingly continue to determine a weighted-average dumping margin of 32.37 percent exists with respect to the non-responsive companies for this final determination.

Final Determination

Commerce determines that the following estimated weighted-average dumping margins exist:

Exporter/producer	Weighted-average dumping margin (percent)	Cash deposit rate (adjusted for subsidy offset(s)) (percent) ¹³
Hyundai de Mexico S.A. de C.V	* 32.37	0.00
BRD Trailers, S.A. de C.V	* 32.37	0.00
Carrocerias Gallegos S.A. de C.V	* 32.37	0.00
Comercializadora Nimmka, S.A. de C.V. (d/b/a Atro Remolques y Carroceria)	* 32.37	0.00
Carrocerias Corpus Christi S.A. DE C.V	* 32.37	0.00
Fruehauf de Mexico, S.A. de C.V	* 32.37	0.00
Lodi Trailers	* 32.37	0.00
Norstar Trailers Mexico S de R.L. de C.V. (d/b/a Iron Bull Trailers)	* 32.37	0.00
Semiremolques El Paisano S.A. de C.V	* 32.37	0.00
Ventura Trailers	* 32.37	0.00
All Others	32.37	0.00

* Rate based on facts available with adverse inferences.

⁹ See section 735(c)(5)(B) of the Act; *see also Albemarle Corp. v. United States*, 821 F.3d 1345, 1352 (Fed. Cir. 2016) (*Albemarle*) (“... when all individually examined respondents are assigned de minimis margins, Commerce is expected to calculate the separate rate by taking the average of those margins. Commerce may use ‘other reasonable methods,’ but only if Commerce reasonably

concludes that the expected method is ‘not feasible’ or ‘would not be reasonably reflective of potential dumping margins.’ (internal citations omitted)”).

¹⁰ See Statement of Administrative Action Accompanying the Uruguay Round Agreements Act, H.R. Doc. 103–316, Vol. 1. (1994) (SAA) at 873.

¹¹ *Id.*

¹² See *Certain Chassis and Subassemblies Thereof From Mexico, Thailand, and the Socialist Republic of Vietnam: Initiation of Less-Than-Fair-Value Investigations*, 90 FR 13457, 13460 (March 24, 2025), and accompanying Initiation Checklist, “Certain Chassis and Subassemblies Thereof from Mexico,” dated March 18, 2025.

Disclosure

Normally, Commerce discloses to interested parties the calculations performed in connection with a preliminary determination within five days of any public announcement or, if there is no public announcement, within five days of the date of publication of the notice of preliminary determination in the **Federal Register**, in accordance with 19 CFR 351.224(b). However, because Commerce applied AFA to the individually examined company HYMEX in this investigation, in accordance with section 776 of the Act, and the applied AFA rate is based solely on the Petition, there are no calculations to disclose.

Continuation of Suspension of Liquidation

In accordance with section 735(c)(1)(B) of the Act, Commerce will instruct U.S. Customs and Border Protection (CBP) to continue to suspend liquidation of all entries of chassis, as described in Appendix I of this notice, which were entered, or withdrawn from warehouse, for consumption on or after September 29, 2025, the date of publication of the *Preliminary Determination* in the **Federal Register**.

Pursuant to sections 735(c)(1)(B)(ii) and 735(c)(5)(A) of the Act, and 19 CFR 351.210(d), upon the publication of this notice, we will instruct CBP to require a cash deposit for estimated antidumping duties as follows: (1) the cash deposit rate for the companies listed in the table above that exported the subject merchandise will be equal to the company-specific estimated weighted-average dumping margins determined in this final determination; (2) if the exporter is not a company identified in the table above, but the producer is, then the cash deposit rate will be equal to the company-specific estimated weighted-average dumping margin established for that producer; and (3) the cash deposit rate for all other producers and exporters will be equal to the estimated weighted-average dumping margin for all other producers and exporters listed in the table above. These suspension of liquidation

instructions will remain in effect until further notice.

U.S. International Trade Commission (ITC) Notification

In accordance with section 735(d) of the Act, Commerce will notify the ITC of its final affirmative determination of sales at LTFV. Because the final determination is affirmative, in accordance with section 735(b)(2) of the Act, the ITC will make its final determination as to whether the domestic industry in the United States is materially injured, or threatened with material injury, by reason of imports or sales (or the likelihood of sales) for importation of chassis from Mexico no later than 45 days after this final determination. If the ITC determines that such injury does not exist, this proceeding will be terminated, all cash deposits posted will be refunded, and suspension of liquidation will be lifted. If the ITC determines that such injury does exist, Commerce will issue an AD order directing CBP to assess, upon further instruction by Commerce, antidumping duties on all imports of chassis from Mexico entered, or withdrawn from warehouse, for consumption on or after the effective date of the suspension of liquidation, as discussed in the “Continuation of Suspension of Liquidation” section above.

Administrative Protective Order (APO)

This notice serves as the only reminder to parties subject to an APO of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3). Timely written notification of the return or destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and terms of an APO is a sanctionable violation.

Notification to Interested Parties

This final determination and notice are issued and published in accordance with sections 735(d) and 777(i) of the Act, and 19 CFR 351.210(c).

Dated: April 20, 2026.

Christopher Abbott,

Deputy Assistant Secretary for Policy and Negotiations, performing the non-exclusive functions and duties of the Assistant Secretary for Enforcement and Compliance.

Appendix I

Scope of the Investigation

The merchandise covered by this investigation consists of chassis and subassemblies thereof whether finished or unfinished, whether assembled or

unassembled, whether coated or uncoated, regardless of the number of axles, for carriage of containers, or other payloads (including self-supporting payloads) for road, marine roll-on/roll-off (RORO) and/or rail transport. Chassis are typically, but are not limited to, rectangular framed trailers with a suspension and axle system, wheels and tires, brakes, a lighting and electrical system, a coupling for towing behind a truck tractor, and a locking system or systems to secure the shipping container or containers to the chassis using twistlocks, slide pins or similar attachment devices to engage the corner fittings on the container or other payload.

Subject merchandise includes, but is not limited to, the following subassemblies:

- Chassis frames, or sections of chassis frames, including kingpin assemblies, bolsters consisting of transverse beams with locking or support mechanisms, goosenecks, drop assemblies, extension mechanisms and/or rear impact guards;
- Running gear assemblies or axle assemblies for connection to the chassis frame, whether fixed in nature or capable of sliding fore and aft or lifting up and lowering down, which may or may not include suspension(s) (mechanical or pneumatic), wheel end components, slack adjusters, dressed axles, brake chambers, locking pins, and tires and wheels; and
- Assemblies that connect to the chassis frame or a section of the chassis frame, such as but not limited to, pintle hooks or B-trains (which include a fifth wheel), which are capable of connecting a chassis to a converter dolly or another chassis.

Importation of any of these subassemblies, whether assembled or unassembled, constitutes an unfinished chassis for purposes of this investigation.

Subject merchandise also includes chassis, whether finished or unfinished, entered with components such as, but not limited to: hub and drum assemblies, brake assemblies (either drum or disc), bare axles, brake chambers, suspensions and suspension components, wheel end components, landing gear legs, spoke or disc wheels, tires, brake control systems, electrical harnesses and lighting systems.

Processing of finished and unfinished chassis and components such as trimming, cutting, grinding, notching, punching, drilling, painting, coating, staining, finishing, assembly, or any other processing either in the country of manufacture of the in-scope product or in a third country does not remove the product from the scope. Inclusion of other components not identified as comprising the finished or unfinished chassis does not remove the product from the scope.

Individual components entered and sold by themselves are not subject to the investigation, but components entered with a finished or unfinished chassis are subject merchandise. A finished chassis is ultimately comprised of several different types of subassemblies. Within each subassembly there are numerous components that comprise a given subassembly.

This scope excludes dry van trailers, refrigerated van trailers and flatbed trailers. Dry van trailers are trailers with a wholly enclosed cargo space comprised of fixed

¹³ We adjusted the cash deposit rates for export subsidies of 37.32 percent (comprised of 0.21 percent for Program for the Manufacturing Industry, Maquiladora, and Export Services (IMMEX), 13.62 percent for Eight Rule Permit, 13.62 percent for Duty Drawback, 6.55 percent for Bancomext Financing, 3.32 percent for State of Coahuila de Zaragoza—Law of Economic Development. See unpublished **Federal Register** notice, “Certain Chassis and Subassemblies Thereof from Mexico: Final Affirmative Countervailing Duty Determination,” signed and dated concurrently with this **Federal Register** notice.

sides, nose, floor and roof, with articulated panels (doors) across the rear and occasionally at selected places on the sides, with the cargo space being permanently incorporated in the trailer itself. Refrigerated van trailers are trailers with a wholly enclosed cargo space comprised of fixed sides, nose, floor and roof, with articulated panels (doors) across the rear and occasionally at selected places on the sides, with the cargo space being permanently incorporated in the trailer and being insulated, possessing specific thermal properties intended for use with self-contained refrigeration systems. Flatbed (or platform) trailers consist of load carrying main frames and a solid, flat or stepped loading deck or floor permanently incorporated with and supported by frame rails and cross members.

The scope also excludes fully and permanently assembled trailers that have permanently incorporated floors welded to the frame without a locking mechanism, a gross axle weight ratings of 8,000 lbs or less, and that connect to Federal Highway Administration Class 3 or Class 5 vehicles with a coupler rated for SAE J684 Standard Class 4, whether entered with or without neck, ramp, dove tail, or dump/safety arm components. The scope also excludes fully dressed axle subassemblies with a gross axle weight rating of 8,000 lbs or less, an outer diameter of the axle beam of three inches or less, and eight or fewer lug nuts.

The finished and unfinished chassis subject to this investigation are typically classified in the Harmonized Tariff Schedule of the United States (HTSUS) at subheadings: 8716.39.0090 and 8716.90.5060. Imports of finished and unfinished chassis may also enter under HTSUS subheading

8716.90.5010. While the HTSUS subheadings are provided for convenience and customs purposes, the written description of the merchandise under investigation is dispositive.

Appendix II

List of Topics Discussed in the Issues and Decision Memorandum

I. Summary

II. Background

III. Discussion of the Issues

Comment 1: Whether Commerce's Decision to Reject New Factual Information (NFI) Submitted by Hyundai de Mexico S.A. de C.V. (HYMEX) was Contrary to Law
 Comment 2: Whether Commerce Erred in its Decision to Apply Total Adverse Facts Available (AFA) to HYMEX
 Comment 3: Whether Commerce Abused its Discretion by Canceling Verification

IV. Recommendation

[FR Doc. 2026-08039 Filed 4-23-26; 8:45 am]

BILLING CODE 3510-DS-P

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

[RTID 0648-XF699]

Marine Mammals and Endangered Species

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

ACTION: Notice; issuance of permits, including a permit modification.

SUMMARY: Notice is hereby given that permits have been issued under the Marine Mammal Protection Act (MMPA) and the Endangered Species Act (ESA), as applicable.

ADDRESSES: The permits and related documents are available for review upon written request via email to NMFS.Pr1Comments@noaa.gov.

FOR FURTHER INFORMATION CONTACT: Erin Markin, Ph.D. (File No. 28294) and Jennifer Skidmore (File No. 29044); at (301) 427-8401.

SUPPLEMENTARY INFORMATION: The requested permits have been issued under the MMPA of 1972, as amended (16 U.S.C. 1361 *et seq.*), the regulations governing the taking and importing of marine mammals (50 CFR part 216), the ESA of 1973, as amended (16 U.S.C. 1531 *et seq.*), and the regulations governing the taking, importing, and exporting of endangered and threatened species (50 CFR parts 222-226), as applicable. Notices were published in the **Federal Register** on the dates listed below that requests had been submitted. To locate the **Federal Register** notice that announced our receipt of the application and a complete description of the activities, go to <https://www.federalregister.gov> and search for the file number provided in table 1 below.

TABLE 1—ISSUED PERMITS

File No.	Version No.	RTID	Applicant	Previous Federal Register notice	Issuance date
28294	01	0648-XF207 ...	Matthew Fisher, Normandeau Associates, Inc., 2233 Spring Street, West Lawn, PA 19609.	90 FR 55854, December 4, 2025.	March 30, 2026.
29044	N/A	0648-XF498 ...	Amanda Bishop, Ph.D., University of Alaska Anchorage, 3101 Science Circle, Anchorage, AK 99501.	91 FR 5928, February 10, 2026.	April 1, 2026.

In compliance with the National Environmental Policy Act of 1969 (42 U.S.C. 4321 *et seq.*), a final determination has been made that the activities proposed are categorically excluded from the requirement to prepare an environmental assessment or environmental impact statement.

As required by the ESA, as applicable, issuance was based on a finding that such permits: (1) were applied for in good faith; (2) will not operate to the disadvantage of such endangered species; and (3) are consistent with the purposes and policies set forth in section 2 of the ESA.

Dated: April 21, 2026.

Shannon Bettridge,

Chief, Marine Mammal and Sea Turtle Conservation Division, Office of Protected Resources, National Marine Fisheries Service.

[FR Doc. 2026-07986 Filed 4-23-26; 8:45 am]

BILLING CODE 3510-22-P

CONSUMER PRODUCT SAFETY COMMISSION

[Docket No. CPSC-2013-0022]

Agency Information Collection Activities; Extension of Collection; Comment Request; Safety Standard for Adult Portable Bed Rails

AGENCY: Consumer Product Safety Commission.

ACTION: Notice of information collection; request for comment.

SUMMARY: As required by the Paperwork Reduction Act of 1995 (PRA), the Consumer Product Safety Commission (CPSC or Commission) requests comments on a proposed extension of

approval of information collection requirements associated with the Safety Standard for Adult Portable Bed Rails. The Office of Management and Budget (OMB) previously approved the collection of information under control number 3041–0192. OMB's most recent extension of approval will expire on August 31, 2026. The Commission will consider all comments received in response to this notice before requesting an extension of this collection of information from OMB.

DATES: Submit comments on the collection of information by June 23, 2026.

ADDRESSES: You may submit comments, identified by Docket No. CPSC–2013–0022, within 60 days of publication of this notice by any of the following methods:

Electronic Submissions: Submit electronic comments to the Federal eRulemaking Portal at: <https://www.regulations.gov>. Follow the instructions for submitting comments. Do not submit through this website: confidential business information, trade secret information, or other sensitive or protected information that you do not want to be available to the public. The Commission typically does not accept comments submitted by email, except as described below.

Mail/hand delivery/courier/written submissions: CPSC encourages you to submit electronic comments by using the Federal eRulemaking Portal. You may, however, submit comments by mail/hand delivery/courier to: Office of the Secretary, U.S. Consumer Product Safety Commission, 4330 East-West Highway, Bethesda, MD 20814; telephone (301) 504–7479.

Instructions: All submissions received must include the agency name and docket number for this notice. CPSC may post all comments without change, including any personal identifiers, contact information, or other personal information provided, to: <https://www.regulations.gov>. If you wish to submit confidential business information, trade secret information, or other sensitive or protected information that you do not want to be available to the public, you may submit such comments by mail, hand delivery, or courier, or you may email them to cpsc-os@cpsc.gov.

Docket: For access to the docket to read background documents or comments received, go to: <https://www.regulations.gov>, insert docket number CPSC–2013–0022.

FOR FURTHER INFORMATION CONTACT: Cynthia Gillham, Consumer Product Safety Commission, 4330 East-West

Highway, Bethesda, MD 20814; (301) 504–7791, or by email to: pra@cpsc.gov.

SUPPLEMENTARY INFORMATION: CPSC seeks to renew the following currently approved collection of information:

Title: Safety Standard for Adult Portable Bedrails.

OMB Number: 3041–0192.

Type of Review: Renewal of collection.

Frequency of Response: On occasion.

Affected Public: Manufacturers and importers of adult portable bed rails.

General Description of Collection: The Safety Standard for Adult Portable Bed Rails (16 CFR part 1270) addresses the unreasonable risk of injury and death associated with entrapment and other hazards from adult portable bed rails (APBRs). The standard incorporates by reference ASTM F3186–17, *Standard Specification for Adult Portable Bed Rails and Related Products*, with modifications. 16 CFR 1270.2. Sections 9, 10, and 11 of ASTM F3186–17 contain requirements for labels, warnings and instructional literature.

Estimated Number of Respondents: CPSC is aware of 12 known entities supplying APBRs to the U.S. market.

Estimated Time per Response: On average, each entity will respond approximately six times to accommodate the CPSC required labeling and instructional literature for various APBR models each year. The estimated time for required labeling is about eight hours per model. Therefore, the estimated burden associated with labels is 576 hours (12 entities × 6 models per entity × 8 hours per model = 576 hours). The estimated time for required instructional material is 24 hours per model. Each entity responds for an average of six different APBR models. Therefore, the estimated burden associated with instructional literature is 1,728 hours (12 entities × 6 models per entity × 24 hours per model).

Total Estimated Annual Burden: Based on the estimated time response for labeling (576 hours) and instructional literature (1,728 hours), CPSC expects the estimated burden for this collection of information is approximately 2,304 hours.

Total Estimated Annual Cost to Respondents: CPSC estimates the hourly compensation for the time to create required labels is \$42.03 (U.S. Bureau of Labor Statistics, “Employer Costs for Employee Compensation,” June 2025), total compensation for all sales and office workers in goods producing private industries: https://www.bls.gov/news.release/archives/ecec_09122025.htm. Therefore, the estimated annual cost to industry associated with

the labeling requirements is approximately \$24,209 (\$42.03 per hour × 576 hours = \$24,209.28).

CPSC estimates the hourly compensation for the time to create required instructional material is \$42.03 (U.S. Bureau of Labor Statistics, “Employer Costs for Employee Compensation,” June 2025), total compensation for all sales and office workers in goods producing private industries: https://www.bls.gov/news.release/archives/ecec_09122025.htm. Therefore, the estimated annual cost to industry associated with the instructional material requirements is approximately \$72,628 (\$42.03 per hour × 1,728 hours = \$72,627.84).

CPSC estimates that the total burden cost for firms to comply with labeling and instructional material requirements to be \$96,837 annually (\$24,209 + \$72,628).

Request for Comments: The Commission solicits written comments from all interested persons about the proposed collection of information. The Commission specifically solicits information relevant to the following topics:

- whether the collection of information described above is necessary for the proper performance of the Commission's functions, including whether the information would have practical utility;
- whether the estimated burden of the proposed collection of information is accurate;
- whether the quality, utility, and clarity of the information to be collected could be enhanced; and
- whether the burden imposed by the collection of information could be minimized by use of automated, electronic or other technological collection techniques, or other forms of information technology.

Alberta E. Mills,

Secretary, Consumer Product Safety Commission.

[FR Doc. 2026–08027 Filed 4–23–26; 8:45 am]

BILLING CODE 6355–01–P

DEPARTMENT OF EDUCATION

Notice Announcing Child Care Access Means Parents in Schools Program Competition

AGENCY: Department of Education (ED), Department of Health and Human Services (HHS).

ACTION: Notice.

SUMMARY: The Department of Education (ED) and Department of Health and

Human Services (HHS) announce the opportunity to apply for competitive grants for the Fiscal Year (FY) 2026 for the Child Care Access Means Parents in Schools (CCAMPIS) Program, Assistance Listing Number (ALN) 84.335A.

DATES: Complete proposals must be submitted electronically through the *Grants.gov* “APPLY” function by 11:59:59 p.m. Eastern time May 29, 2026.

FOR FURTHER INFORMATION CONTACT: Mose Cartier. Telephone: (202) 453–7373. Email: Mose.Cartier@ed.gov.

SUPPLEMENTARY INFORMATION: The Child Care Access Means Parents in Schools Program (CCAMPIS) (84.335A) supports the participation of low-income parents in postsecondary education by providing campus-based child care services. The FY 2026 competition includes priorities, selection criteria, and requirements. The priorities are Leveraging Non-Federal Resources, Making Child Care More Affordable By Utilizing a Sliding Fee Scale for Low-Income Parents, and Expanding Education Choice in Early Learning Settings.

Maximum Annual Award: The maximum annual amount an applicant may receive under this program for a 12-month budget period is \$500,000 or an annual amount equivalent to the product of \$100 multiplied by the institution’s total number of Pell Grant recipients in FY 2025, whichever amount is greater. The Secretary shall award grants under CCAMPIS for a period of 4 years, and the maximum annual amount an applicant may receive applies to each year of funding.

Eligible Applicants: Institutions of higher education that awarded a total of \$250,000 or more of Federal Pell Grant funds during FY 2025 to students enrolled at the institution.

Program Authority: (20 U.S.C. 1070e).

To Apply: The complete funding opportunity announcement and all information needed to apply, including

all priorities and program requirements, are available on ED’s website at <https://www.ed.gov/grants-and-programs/grants-special-populations/grants-economically-disadvantaged-students/child-care-access-means-parents-school-program> and on *Grants.gov* at <https://grants.gov/search-results-detail/361967>. The application notice and instructions on *grants.gov* is the official document governing the grant competition.

Accessible Format: On request to the program contact person listed under **FOR FURTHER INFORMATION CONTACT**, individuals with disabilities can obtain this document in an accessible format.

Note: *Alex J. Adams* signs this notice in furtherance of HHS’s role in providing support to ED.

David Barker,

Assistant Secretary, Office of Postsecondary Education, Department of Education.

In concurrence

Alex J. Adams,

Assistant Secretary, Administration for Children and Families, Department of Health and Human Services.

[FR Doc. 2026–08100 Filed 4–23–26; 8:45 am]

BILLING CODE 4000–01–P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. RM98–1–000]

Records Governing Off-the-Record Communications

Public Notice

This constitutes notice, in accordance with 18 CFR 385.2201(b), of the receipt of prohibited and exempt off-the-record communications.

Order No. 607 (64 FR 51222, September 22, 1999) requires Commission decisional employees, who make or receive a prohibited or exempt off-the-record communication relevant to the merits of a contested proceeding,

to deliver to the Secretary of the Commission, a copy of the communication, if written, or a summary of the substance of any oral communication.

Prohibited communications are included in a public, non-decisional file associated with, but not a part of, the decisional record of the proceeding. Unless the Commission determines that the prohibited communication and any responses thereto should become a part of the decisional record, the prohibited off-the-record communication will not be considered by the Commission in reaching its decision. Parties to a proceeding may seek the opportunity to respond to any facts or contentions made in a prohibited off-the-record communication and may request that the Commission place the prohibited communication and responses thereto in the decisional record. The Commission will grant such a request only when it determines that fairness so requires. Any person identified below as having made a prohibited off-the-record communication shall serve the document on all parties listed on the official service list for the applicable proceeding in accordance with Rule 2010, 18 CFR 385.2010.

Exempt off-the-record communications are included in the decisional record of the proceeding, unless the communication was with a cooperating agency as described by 40 CFR 1501.6, made under 18 CFR 385.2201(e) (1) (v).

The following is a list of off-the-record communications recently received by the Secretary of the Commission. Each filing may be viewed on the Commission’s website at <http://www.ferc.gov> using the eLibrary link. Enter the docket number, excluding the last three digits, in the docket number field to access the document. For assistance, please contact FERC Online Support at FERCOnlineSupport@ferc.gov or toll free at (866) 208–3676, or for TTY, contact (202) 502–8659.

Docket Nos.	File date	Presenter or requester
Prohibited:		
1. EL26–58–000	04–08–2026	FERC Staff. ¹
Exempt:		
1. EL11–66–000, EL11–66–001	04–08–2026	U.S. Senator Richard Blumenthal.

¹ Email communication dated 4/7/26 from Electricity Transmission Competition Coalition.

Dated: April 21, 2026.

Carlos D. Clay,

Deputy Secretary.

[FR Doc. 2026-08006 Filed 4-23-26; 8:45 am]

BILLING CODE 6717-01-P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

Combined Notice of Filings

Take notice that the Commission has received the following Natural Gas Pipeline Rate and Refund Report filings:

Filings Instituting Proceedings

Docket Numbers: RP26-766-000.

Applicants: Blue Lake Gas Storage Company.

Description: Compliance filing: 2026 Operational Purchases & Sales Report to be effective N/A.

Filed Date: 4/20/26.

Accession Number: 20260420-5142.

Comment Date: 5 p.m. ET 5/4/26.

Docket Numbers: RP26-767-000.

Applicants: Great Lakes Gas Transmission Limited Partnership.

Description: Compliance filing: 2026 Operational Purchases and Sales Report to be effective N/A.

Filed Date: 4/20/26.

Accession Number: 20260420-5146.

Comment Date: 5 p.m. ET 5/4/26.

Docket Numbers: RP26-768-000.

Applicants: PORT ARTHUR LNG, LLC.

Description: Petition for Limited Waiver of the Buy/Sell Prohibition of Port Arthur LNG, LLC.

Filed Date: 4/20/26.

Accession Number: 20260420-5158.

Comment Date: 5 p.m. ET 5/4/26.

Docket Numbers: RP26-769-000.

Applicants: Midcontinent Express Pipeline LLC.

Description: § 4(d) Rate Filing: Fuel Tracker Filing 4/21/26 to be effective 6/1/2026.

Filed Date: 4/21/26.

Accession Number: 20260421-5096.

Comment Date: 5 p.m. ET 5/4/26.

Docket Numbers: RP26-770-000.

Applicants: Bison Pipeline LLC.

Description: Compliance filing: 2026 Operational Purchases and Sales Report to be effective N/A.

Filed Date: 4/21/26.

Accession Number: 20260421-5133.

Comment Date: 5 p.m. ET 5/4/26.

Any person desiring to intervene, to protest, or to answer a complaint in any of the above proceedings must file in accordance with Rules 211, 214, or 206 of the Commission's Regulations (18

CFR 385.211, 385.214, or 385.206) on or before 5:00 p.m. Eastern time on the specified comment date. Protests may be considered, but intervention is necessary to become a party to the proceeding.

Filings in Existing Proceedings

Docket Numbers: PR25-11-003.

Applicants: Matterhorn Express Pipeline, LLC.

Description: § 284.123 Rate Filing: Second Revised Statement of Operating Conditions to be effective 10/1/2024.

Filed Date: 4/20/26.

Accession Number: 20260420-5127.

Comment Date: 5 p.m. ET 5/11/26.

Any person desiring to protest in any of the above proceedings must file in accordance with Rule 211 of the Commission's Regulations (18 CFR 385.211) on or before 5:00 p.m. Eastern time on the specified comment date.

The filings are accessible in the Commission's eLibrary system (<https://elibrary.ferc.gov/idmws/search/fercgensearch.asp>) by querying the docket number.

eFiling is encouraged. More detailed information relating to filing requirements, interventions, protests, service, and qualifying facilities filings can be found at: <http://www.ferc.gov/docs-filing/efiling/filing-req.pdf>. For other information, call (866) 208-3676 (toll free). For TTY, call (202) 502-8659.

For public inquiries and assistance with making filings such as interventions, comments, or requests for rehearing, contact the Office of Public Participation at (202) 502-6595 or OPP@ferc.gov.

Dated: April 21, 2026.

Carlos D. Clay,

Deputy Secretary.

[FR Doc. 2026-08005 Filed 4-23-26; 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 corporate filings:

Docket Numbers: EC26-88-000.

Applicants: Lockport Energy Associates, L.P., Castleton Power, LLC.

Description: Joint Application for Authorization Under Section 203 of the Federal Power Act of Lockport Energy Associates, L.P., et al.

Filed Date: 4/14/26.

Accession Number: 20260414-5269.

Comment Date: 5 p.m. ET 5/29/26.

Docket Numbers: EC26-89-000.

Applicants: ER Nava Storage, LLC, ER South Street Storage, LLC.

Description: Joint Application for Authorization Under Section 203 of the Federal Power Act of ER Nava Storage, LLC, et al.

Filed Date: 4/17/26.

Accession Number: 20260417-5288.

Comment Date: 5 p.m. ET 5/8/26.

Take notice that the Commission received the following Complaints and Compliance filings in EL Dockets:

Docket Numbers: EL26-61-000.

Applicants: TWPR Banking Intermediary Trust v. Duke Energy Carolinas, LLC.

Description: Complaint of TWPR Banking Intermediary Trust v. Duke Energy Carolinas, LLC.

Filed Date: 4/20/26.

Accession Number: 20260420-5051.

Comment Date: 5 p.m. ET 5/11/26.

Take notice that the Commission received the following electric rate filings:

Docket Numbers: ER11-2508-032; ER19-1417-007; ER21-568-005; ER21-577-006.

Applicants: Morgantown Power, LLC, Lanyard Power Holdings, LLC, GenOn Power Midwest, LP, GenOn Energy Management, LLC.

Description: Notice of Change in Status of GenOn Energy Management, LLC, et al.

Filed Date: 4/16/26.

Accession Number: 20260416-5252.

Comment Date: 5 p.m. ET 5/7/26.

Docket Numbers: ER12-1725-009; ER19-106-009.

Applicants: Birdsboro Power LLC, ECP Energy I, LLC, Liberty Electric Power, LLC, Empire Generating Co, LLC, Dighton Power, LLC, EquiPower Resources Management, LLC, Lake Road Generating Company, L.P., MASSPOWER, Milford Power Company, LLC, Red Oak Power, LLC.

Description: Notice of Change in Status of Red Oak Power, LLC, et al.

Filed Date: 4/17/26.

Accession Number: 20260417-5294.

Comment Date: 5 p.m. ET 5/8/26.

Docket Numbers: ER24-1151-003.

Applicants: Aquamarine Lessee, LLC.
Description: Compliance filing: Aquamarine Lessee Response to 2nd Deficiency Letter to be effective 4/1/2024.

Filed Date: 4/21/26.

Accession Number: 20260421-5211.

Comment Date: 5 p.m. ET 5/12/26.

Docket Numbers: ER24-1152-003.

Applicants: Aquamarine Westside, LLC.

Description: Compliance filing: Aquamarine Westside Response to 2nd

Deficiency Letter to be effective 4/1/2024.

Filed Date: 4/21/26.

Accession Number: 20260421–5207.

Comment Date: 5 p.m. ET 5/12/26.

Docket Numbers: ER25–2837–002.

Applicants: Northern States Power Company, a Minnesota corporation.

Description: Tariff Amendment: 2026–04–22 CapX—Fargo 4—LRTP—CMA—727 Amend to be effective 6/13/2025.

Filed Date: 4/21/26.

Accession Number: 20260421–5218.

Comment Date: 5 p.m. ET 5/12/26.

Docket Numbers: ER25–3131–001.

Applicants: Nimbus Wind Farm, LLC.
Description: Notice of Change in Status of Nimbus Wind Farm, LLC.

Filed Date: 4/20/26.

Accession Number: 20260420–5249.

Comment Date: 5 p.m. ET 5/11/26.

Docket Numbers: ER26–1523–002.

Applicants: Atlas Solar V, LLC.

Description: Tariff Amendment: Amendment to Ownership Agreement to be effective 2/27/2026.

Filed Date: 4/21/26.

Accession Number: 20260421–5000.

Comment Date: 5 p.m. ET 5/12/26.

Docket Numbers: ER26–2261–000.

Applicants: Southern California Edison Company.

Description: § 205(d) Rate Filing: GIA, Santa Ana River 3 Power House (WDT010/SA No. 1419) to be effective 4/21/2026.

Filed Date: 4/20/26.

Accession Number: 20260420–5204.

Comment Date: 5 p.m. ET 5/11/26.

Docket Numbers: ER26–2262–000.

Applicants: Pana Solar, LLC.

Description: Request for Limited and Prospective Waiver, et al. of Pana Solar, LLC.

Filed Date: 4/20/26.

Accession Number: 20260420–5209.

Comment Date: 5 p.m. ET 5/11/26.

Docket Numbers: ER26–2263–000.

Applicants: Arrow Energy RRH, LLC.

Description: Tariff Amendment: Notice of Cancellation of Market-Based Rate Tariff to be effective 4/21/2026.

Filed Date: 4/20/26.

Accession Number: 20260420–5214.

Comment Date: 5 p.m. ET 5/11/26.

Docket Numbers: ER26–2264–000.

Applicants: Southwest Power Pool, Inc.

Description: § 205(d) Rate Filing: 4840 Canadian County Solar Project GIA to be effective 4/9/2026.

Filed Date: 4/21/26.

Accession Number: 20260421–5013.

Comment Date: 5 p.m. ET 5/12/26.

Docket Numbers: ER26–2265–000.

Applicants: American Transmission Systems, Incorporated.

Description: § 205(d) Rate Filing: ATSI submits a Construction Agmt—SA No. 7280 to be effective 6/21/2026.

Filed Date: 4/21/26.

Accession Number: 20260421–5029.

Comment Date: 5 p.m. ET 5/12/26.

Docket Numbers: ER26–2266–000.

Applicants: Midcontinent

Independent System Operator, Inc.

Description: § 205(d) Rate Filing: 2026–04–21 SA 4744 MEC–DISIS–2017–001 MPFCA to be effective 4/14/2026.

Filed Date: 4/21/26.

Accession Number: 20260421–5037.

Comment Date: 5 p.m. ET 5/12/26.

Docket Numbers: ER26–2267–000.

Applicants: PJM Interconnection, L.L.C.

Description: Tariff Amendment: Notice of Cancellation of ISA, SA No. 6315; Queue No. AE2–084 to be effective 1/3/2026.

Filed Date: 4/21/26.

Accession Number: 20260421–5085.

Comment Date: 5 p.m. ET 5/12/26.

Docket Numbers: ER26–2268–000.

Applicants: Southern California Edison Company.

Description: § 205(d) Rate Filing: 3rd Amended LGIA, Gaskell West, TOT727, SA 184 to be effective 4/22/2026.

Filed Date: 4/21/26.

Accession Number: 20260421–5106.

Comment Date: 5 p.m. ET 5/12/26.

Docket Numbers: ER26–2269–000.

Applicants: AEP Texas Inc.

Description: § 205(d) Rate Filing: AEPTX-Gunnar Reliability Project Amended Generation Interconnection Agreement to be effective 4/1/2026.

Filed Date: 4/21/26.

Accession Number: 20260421–5130.

Comment Date: 5 p.m. ET 5/12/26.

Docket Numbers: ER26–2270–000.

Applicants: Tri-State Generation and Transmission Association, Inc.

Description: Tariff Amendment: Notice of Cancellation of Rate Schedule FERC No. 358 to be effective 6/22/2026.

Filed Date: 4/21/26.

Accession Number: 20260421–5154.

Comment Date: 5 p.m. ET 5/12/26.

Docket Numbers: ER26–2271–000.

Applicants: Tri-State Generation and Transmission Association, Inc.

Description: § 205(d) Rate Filing: Amendment to Rate Schedule No. 15 to be effective 4/16/2026.

Filed Date: 4/21/26.

Accession Number: 20260421–5157.

Comment Date: 5 p.m. ET 5/12/26.

Docket Numbers: ER26–2272–000.

Applicants: GridLiance West LLC

Description: § 205(d) Rate Filing: GridLiance West TO Tariff Filing to be effective 6/20/2026.

Filed Date: 4/21/26.

Accession Number: 20260421–5188.

Comment Date: 5 p.m. ET 5/12/26.

Docket Numbers: ER26–2273–000.

Applicants: Semptra Gas & Power Marketing, LLC.

Description: § 205(d) Rate Filing: Update to Market Based Rate Tariff to be effective 4/30/2026.

Filed Date: 4/21/26.

Accession Number: 20260421–5209.

Comment Date: 5 p.m. ET 5/12/26.

Docket Numbers: ER26–2274–000.

Applicants: Tri-State Generation and Transmission Association, Inc.

Description: § 205(d) Rate Filing: Initial Filing of Service Agreement FERC No. 933 to be effective 3/31/2026.

Filed Date: 4/21/26.

Accession Number: 20260421–5214.

Comment Date: 5 p.m. ET 5/12/26.

Docket Numbers: ER26–2275–000.

Applicants: PJM Interconnection, L.L.C.

Description: Tariff Amendment: Cancellation of PJM SA No. 4586 Among PJM, Manchester Renewable, and JCPL to be effective 4/1/2026.

Filed Date: 4/21/26.

Accession Number: 20260421–5217.

Comment Date: 5 p.m. ET 5/12/26.

Take notice that the Commission received the following electric securities filings:

Docket Numbers: ES26–38–000.

Applicants: Trans Bay Cable LLC.

Description: Application Under Section 204 of the Federal Power Act for Authorization to Issue Securities of Trans Bay Cable LLC.

Filed Date: 4/17/26.

Accession Number: 20260417–5287.

Comment Date: 5 p.m. ET 5/8/26.

Take notice that the Commission received the following foreign utility company status filings:

Docket Numbers: FC26–15–000.

Applicants: Kallpa Generacion

S.A.,Kondu S.A.C.

Description: Kallpa Generacion S.A. et al. submit Notice of Self-Certification of Foreign Utility Company Status.

Filed Date: 4/20/26.

Accession Number: 20260420–5189.

Comment Date: 5 p.m. ET 5/11/26.

The filings are accessible in the Commission's eLibrary system (<https://elibrary.ferc.gov/idmws/search/fercgensearch.asp>) by querying the docket number.

Any person desiring to intervene, to protest, or to answer a complaint in any of the above proceedings must file in accordance with Rules 211, 214, or 206 of the Commission's Regulations (18 CFR 385.211, 385.214, or 385.206) 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.

For public inquiries and assistance with making filings such as interventions, comments, or requests for rehearing, contact the Office of Public Participation at (202) 502-6595 or OPP@ferc.gov.

Dated: April 21, 2026.

Carlos D. Clay,
Deputy Secretary.

[FR Doc. 2026-08004 Filed 4-23-26; 8:45 am]

BILLING CODE 6717-01-P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Project No. 2842-047]

City of Idaho Falls, Idaho; Notice of Application for a License Variance Accepted for Filing, Soliciting Comments, Motions To Intervene, and Protests

Take notice that the following hydroelectric application has been filed with the Commission and is available for public inspection:

- a. *Application Type*: Temporary variance of minimum bypass flow.
- b. *Project No*: 2842-047.
- c. *Date Filed*: February 13, 2026.
- d. *Applicant*: City of Idaho Falls, Idaho.
- e. *Name of Project*: Idaho Falls Hydroelectric Project.
- f. *Location*: The project is located on the Snake River in Bonneville County, Idaho, and occupies federal lands administered by the Bureau of Land Management.
- g. *Filed Pursuant to*: Federal Power Act, 16 U.S.C. 791a-825r.
- h. *Applicant Contact*: Richard Malloy, 140 South Capital, Idaho Falls, Idaho 83402, rmalloy@ifpower.org.
- i. *FERC Contact*: Brian Bartos, (202) 502-6679, brian.bartos@ferc.gov.
- j. *Cooperating agencies*: With this notice, the Commission is inviting federal, state, local, and Tribal agencies with jurisdiction and/or special expertise with respect to environmental issues affected by the proposal, that wish to cooperate in the preparation of

any environmental document, if applicable, to follow the instructions for filing such requests described in item k below. Cooperating agencies should note the Commission's policy that agencies that cooperate in the preparation of any environmental document cannot also intervene. See 94 FERC ¶ 61,076 (2001).

k. *Deadline for filing comments, motions to intervene, and protests*: May 21, 2026, 5:00 p.m. Eastern Time.

The Commission strongly encourages electronic filing. Please file comments, motions to intervene, and protests using the Commission's eFiling system at <http://www.ferc.gov/docs-filing/efiling.asp>. Commenters can submit brief comments up to 6,000 characters, without prior registration, using the eComment system at <http://www.ferc.gov/docs-filing/ecomment.asp>. 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, you may submit a paper copy. Submissions sent via the U.S. Postal Service must be addressed to: Debbie-Anne A. Reese, Secretary, Federal Energy Regulatory Commission, 888 First Street NE, Room 1A, Washington, DC 20426. Submissions sent via any other carrier must be addressed to: Debbie-Anne A. Reese, Secretary, Federal Energy Regulatory Commission, 12225 Wilkins Avenue, Rockville, MD 20852. The first page of any filing should include the docket number P-2842-047. Comments emailed to Commission staff are not considered part of the Commission record.

The Commission's Rules of Practice and Procedure require all intervenors filing documents with the Commission to serve a copy of that document on each person whose name appears on the official service list for the project. Further, if an intervenor 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.

l. *Description of Request*: The licensee is requesting a temporary variance of the required minimum flow to the bypassed reach at the Upper Development Dam #1 under Article 40 of the project license, for the construction of a cofferdam to facilitate in-kind maintenance activities on the pelican gates. This request is similar in its scope and timeframe to the licensee's prior request, filed December 2, 2024, supplemented on February 7, 2025, that it withdrew due to delays obtaining local permits and approvals.

The variance would entail cessation of the required minimum flows to the bypass reach, of which approximately 500 feet would be dewatered from approximately August through December 2026. This variance should allow adequate time for cofferdam construction, dewatering, and inspection and repair of the gates. The licensee has reinitiated consultation with the resource/permitting agencies, Tribes, and stakeholders for the work, including consultation for cultural resources. The licensee consulted with Idaho Fish and Game to survey the dewatered reach to capture and relocate any stranded fish and place gravel in the dewatered bypass reach for fisheries spawning restoration and enhancement. The licensee would perform the proposed work using best management practices to protect water quality and prevent erosion of project lands or sedimentation of project waters.

m. *Locations of the Application*: This filing may be viewed on the Commission's website 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. 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, call 1-866-208-3676 or email FERCOnlineSupport@ferc.gov, for TTY, call (202) 502-8659. Agencies may obtain copies of the application directly from the applicant.

n. Individuals desiring to be included on the Commission's mailing list should so indicate by writing to the Secretary of the Commission.

o. *Comments, Protests, or Motions to Intervene*: Anyone may submit comments, a protest, or a motion to intervene in accordance with the requirements of Rules of Practice and Procedure, 18 CFR 385.210, .211, .214, respectively. In determining the appropriate action to take, the Commission will consider all protests or other comments 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 comments, protests, or motions to intervene must be received on or before the specified comment date for the particular application.

p. *Filing and Service of Documents*: Any filing must (1) bear in all capital letters the title "COMMENTS", "PROTEST", or "MOTION TO INTERVENE" as applicable; (2) set forth in the heading the name of the applicant and the project number of the

application to which the filing responds; and (3) otherwise comply with the requirements of 18 CFR 385.2001 through 385.2005. All comments, motions to intervene, or protests must set forth their evidentiary basis. Any filing made by an intervenor must be accompanied by proof of service on all persons listed in the service list prepared by the Commission in this proceeding, in accordance with 18 CFR 385.2010.

q. For public inquiries and assistance with making filings such as interventions, comments, or requests for rehearing, contact the Office of Public Participation at (202) 502-6595 or *OPP@ferc.gov*.

(Authority: 18 CFR 2.1)

Dated: April 21, 2026.

Debbie-Anne A. Reese,
Secretary.

[FR Doc. 2026-08089 Filed 4-23-26; 8:45 am]

BILLING CODE 6717-01-P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Project No. 4349-033]

EONY Generation Limited; Notice of Availability of Environmental Assessment

In accordance with the National Environmental Policy Act of 1969 and the Federal Energy Regulatory Commission's (Commission) regulations, 18 CFR part 380, the Office of Energy Projects has reviewed the application for a new license to continue to operate and maintain the Moose River Hydroelectric Project No. 4349 (project). The project is located on the Moose River in Lewis County, New York. Commission staff has prepared an Environmental Assessment (EA) for the project.¹

The EA contains staff's analysis of the potential environmental impacts of the project and concludes that licensing the project, with appropriate environmental protective measures, would not constitute a major federal action that would significantly affect the quality of the human environment. The Commission provides all interested persons with an opportunity to view and/or print the EA via the internet through the Commission's Home Page (<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 at *FERCOnlineSupport@ferc.gov*, or at (866) 208-3676 (toll-free), or (202) 502-8659 (TTY). You may also register online at <https://ferconline.ferc.gov/FERCOnline.aspx> 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 on or before 5:00 p.m. Eastern Time on May 21, 2026.

The Commission strongly encourages electronic filing. Please file comments using the Commission's eFiling system at <https://ferconline.ferc.gov/FERCOnline.aspx>. Commenters can submit brief comments up to 10,000 characters, without prior registration, using the eComment system at: <https://ferconline.ferc.gov/QuickComment.aspx>. For assistance, please contact FERC Online Support. In lieu of electronic filing, you may submit a paper copy. Submissions sent via the U.S. Postal Service must be addressed to: Debbie-Anne A. Reese, Secretary, Federal Energy Regulatory Commission, 888 First Street NE, Room 1A, Washington, DC 20426. Submissions sent via any other carrier must be addressed to: Debbie-Anne A. Reese, Secretary, Federal Energy Regulatory Commission, 12225 Wilkins Avenue, Rockville, Maryland 20852. The first page of any filing should include docket number P-4349-033.

For public inquiries and assistance with making filings such as interventions, comments, or requests for rehearing, contact the Office of Public Participation at (202) 502-6595 or *OPP@ferc.gov*.

For further information, contact Kelly Wolcott by telephone at (202) 502-6480 or by email at *kelly.wolcott@ferc.gov*.

(Authority: 18 CFR 2.1)

Dated: April 21, 2026.

Debbie-Anne A. Reese,
Secretary.

[FR Doc. 2026-08090 Filed 4-23-26; 8:45 am]

BILLING CODE 6717-01-P

ENVIRONMENTAL PROTECTION AGENCY

[EPA-HQ-OLEM-2026-0232; FRL-12771-01-OLEM]

Response to Petition To Change Regulation of Phosphogypsum Under RCRA

AGENCY: Environmental Protection Agency (EPA).

ACTION: Petition response.

SUMMARY: The Environmental Protection Agency (EPA) is responding to a rulemaking petition from the Center for Biological Diversity (CBD) and People for Protecting Peace River, on behalf of a consortium of non-profit groups. The EPA has been petitioned to promulgate rules that reverse the EPA 1991 Bevill regulatory determination excluding phosphogypsum and phosphoric acid production process wastewater from Resource Conservation and Recovery Act (RCRA) Subtitle C hazardous waste regulations; and govern the safe treatment, storage and disposal of phosphogypsum and process wastewater as hazardous wastes under RCRA Subtitle C. After careful consideration, the EPA is proposing to deny the petition for the reasons discussed in this document. The EPA is also soliciting public comment on this proposed denial.

DATES: Comments must be received on or before May 26, 2026.

ADDRESSES: You may send comments, identified by Docket ID No. EPA-HQ-OLEM-2026-0232, by any of the following methods:

- **Federal eRulemaking Portal:** <https://www.regulations.gov/> (our preferred method). Follow the online instructions for submitting comments.
- **Mail:** U.S. Environmental Protection Agency, EPA Docket Center, Office of Land and Emergency Management Docket, Mail Code 28221T, 1200 Pennsylvania Avenue NW, Washington, DC 20460.
- **Hand Delivery or Courier:** EPA Docket Center, WJC West Building, Room 3334, 1301 Constitution Avenue NW, Washington, DC 20004. The Docket Center's hours of operations are 8:30 a.m.-4:30 p.m., Monday-Friday (except Federal Holidays).

Instructions: All submissions received must include the Docket ID No. for this rulemaking. Comments received may be posted without change to <https://www.regulations.gov/>, including any personal information provided. For detailed instructions on sending comments and additional information on the rulemaking process, see the

¹ For tracking purposes under the National Environmental Policy Act, the unique identification number for documents relating to this environmental review is EAXX-019-20-000-1746098364.

“Public Participation” heading of the **SUPPLEMENTARY INFORMATION** section of this document.

FOR FURTHER INFORMATION CONTACT: Meridith Fry, Waste Identification, Notice, and Generators Division, Office of Resource Conservation and Recovery, Mail code: (5304T), Environmental Protection Agency, 1200 Pennsylvania Avenue NW, Washington, DC 20460; telephone number: (202) 564–5129; email address: fry.meridith@epa.gov.

SUPPLEMENTARY INFORMATION:

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I. Public Participation

A. Does this action apply to me?

The EPA is not proposing any regulatory changes at this time. Entities that may be interested in this proposed denial of the rulemaking petition include any facility that generates, stores, or uses phosphogypsum or associated process wastewater generated as a byproduct of phosphoric acid production. If you have questions regarding the applicability of this action to a particular entity, consult the person listed in the **FOR FURTHER INFORMATION CONTACT** section.

B. Written Comments

Submit your comments, identified by Docket ID No. EPA–HQ–OLEM–2026–0232, at <https://www.regulations.gov> (our preferred method), or the other methods identified in the **ADDRESSES** section. Once submitted, comments cannot be edited or removed from the docket. The EPA may publish any comment received to its public docket. Do not submit to the EPA’s docket at <https://www.regulations.gov> any information you consider to be Confidential Business Information (CBI), Proprietary Business Information (PBI), 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. The 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). Please visit <https://www.epa.gov/dockets/commenting-epa-dockets> for additional submission methods; the full EPA public comment policy; information about CBI, PBI, or multimedia submissions; and general guidance on making effective comments.

II. General Information

A. List of Abbreviations and Acronyms

CBD—Center for Biological Diversity
CFR—Code of Federal Regulations
EPA—Environmental Protection Agency
FACA—Federal Advisory Committee Act
FR—Federal Register
NESHAP—National Emissions Standards for Hazardous Air Pollutants
RCRA—Resource Conservation and Recovery Act
TSCA—Toxic Substances Control Act

B. What action is the EPA taking?

The EPA is providing notice of and requesting comment on its proposed denial of CBD’s 2021 petition requesting a rulemaking to: (1) reverse the EPA 1991 Bevill regulatory determination excluding phosphogypsum and phosphoric acid production process wastewater (“process wastewater”) from RCRA Subtitle C hazardous waste regulations; and (2) govern the safe treatment, storage and disposal of phosphogypsum and process wastewater as hazardous wastes under RCRA Subtitle C. With this action, the EPA is publishing its evaluation of the rulemaking petition and supporting materials and requesting public comment on the proposed denial.

C. What is the EPA’s authority for taking this action?

On February 8, 2021, the Center for Biological Diversity (CBD) on behalf of People for Protecting Peace River, Atchafalaya Basinkeeper, Bayou City Waterkeeper, Calusa Waterkeeper, Center for Biological Diversity, Cherokee Concerned Citizens, Healthy Gulf, Manasota-88, Our Santa Fe River, Rise St. James, Sierra Club Delta Chapter, Sierra Club Florida Chapter, Suncoast Waterkeeper, Suwannee Riverkeeper, Tampa Bay Waterkeeper, Waterkeeper Alliance, Waterkeepers

Florida, and WWALS Watershed Coalition petitioned the EPA to: (1) reverse the EPA 1991 Bevill regulatory determination excluding phosphogypsum and process wastewater from RCRA Subtitle C hazardous waste regulations; and (2) govern the safe treatment, storage and disposal of phosphogypsum and process wastewater as hazardous wastes under RCRA Subtitle C (“Petition”). The EPA is responding to this Petition for rulemaking pursuant to 42 U.S.C. 6912(a), 6921(a) and 6974, and the EPA’s regulations at 40 CFR 260.20. The EPA identifies hazardous wastes subject to the RCRA Subtitle C regulations pursuant to 42 U.S.C. 6921(a), with implementing regulations 40 CFR parts 261 and 262.11.

D. What are the incremental costs and benefits of this action?

This action consists entirely of the rationale for denying the Petition and proposes no regulatory changes. This action has neither incremental costs nor benefits.

III. Background

A. RCRA Rulemaking Petitions

Under RCRA, “[a]ny person” may “petition the [EPA] for the promulgation, amendment, or repeal of any regulation under” the statute (42 U.S.C. 6974(a)). The EPA’s regulations require that every petition must include, among other components, “a statement of the need and justification for the proposed action, including any supporting tests, studies, or other information” (40 CFR 260.20(b)(4)). Therefore, when a petition fails to provide sufficient information, the EPA is not required to grant the petition and may deny it as a matter of its discretion. The EPA has refrained prescribing more specific content requirements for petitions such as this, because information needs associated with a petition request vary in accordance with the regulatory provisions that the petition may seek to amend or add.

Following receipt of a petition, the EPA’s regulations provide that the EPA “will make a tentative decision to grant or deny a petition and will publish notice of such tentative decision, either in the form of an advanced notice of proposed rulemaking, a proposed rule, or a tentative determination to deny the petition, in the **Federal Register** for written public comment” (40 CFR 260.20(c)). Following evaluation of “all public comments the [EPA] will make a final decision by publishing in the **Federal Register** a regulatory

amendment or denial of the petition” (40 CFR 260.20(e)).

With this action, the EPA is issuing a proposed determination to deny the Center for Biological Diversity’s 2021 rulemaking petition asking that the EPA: (1) reverse the EPA 1991 Bevill regulatory determination excluding phosphogypsum and process wastewater from RCRA Subtitle C hazardous waste regulations; and (2) [issue regulations that] govern the safe treatment, storage and disposal of phosphogypsum and process wastewater as hazardous wastes under RCRA Subtitle C.

In evaluating the Petition, the EPA considered whether the reopening of the EPA’s 1991 Bevill regulatory determination is warranted, based on the post-regulatory determination information submitted by Petitioners. The EPA’s review of the Petition is not a reopening of the Bevill regulatory determination itself. For the reasons identified in section IV, the Petition fails to support the reconsideration of the Bevill exclusion for phosphogypsum and process wastewater, and as such, reevaluation is unwarranted. Since the EPA is not reopening the Bevill determination, phosphogypsum and process wastewater remain excluded from regulation under RCRA Subtitle C. As a result, further response to the latter part of the Petition requesting the EPA list phosphogypsum and process wastewater as hazardous waste under Subtitle C is unwarranted.

B. Regulatory Background on Phosphogypsum and Process Wastewater

Phosphogypsum and process wastewater are large-volume waste products of wet process phosphoric acid production, as described in the 1998 EPA Technical Background Document (USEPA, 1998a). Phosphoric acid facilities largely produce phosphoric acid for use in fertilizer and animal feed products. Phosphate rock is typically received at facilities from mines by truck or rail car, and sulfuric acid is piped from storage tanks to phosphoric acid reactors. In the reactors, sulfuric acid is mixed with phosphate rock to produce weak phosphoric acid. A byproduct of the reaction is calcium sulfate dihydrate, referred to as phosphogypsum. Phosphogypsum is separated from the weak phosphoric acid by filtration. To recover additional weak phosphoric acid, the filtered phosphogypsum is rinsed with process wastewater pumped from ponds and ditches associated with phosphogypsum stacks (*i.e.*, large waste piles of phosphogypsum). The rinsed

phosphogypsum is then mixed with water (slurried) and pumped to the phosphogypsum stacks for disposal. Approximately five tons of phosphogypsum are produced for every one ton of phosphoric acid manufactured. Approximately 90 percent of the water used at these facilities is recycled for reuse as process wastewater (USEPA, 1998a).

In 40 CFR 261.4(b)(7), phosphogypsum and process wastewater from phosphoric acid production are among the solid wastes from the processing of ores and minerals that are excluded from regulation as a hazardous waste under RCRA Subtitle C (42 U.S.C. 6921). As part of the Solid Waste Disposal Act Amendments of 1980 to RCRA, the Bevill Amendment (section 3001(b)(3)(A)(ii)) exempted “solid waste from the extraction, beneficiation, and processing of ores and minerals” from regulation as hazardous wastes under Subtitle C of RCRA, until the EPA performed a study and submitted a Report to Congress, as required by RCRA sections 8002(f) and 8002(p), to determine if these exempt wastes should be regulated under Subtitle C or that such regulations were unwarranted (*i.e.*, the exclusion should continue), as required by section 3001(b)(3)(C). The EPA modified its hazardous waste regulations in November 1980 to reflect this “Mining Waste Exclusion,” and issued a preliminary, broad interpretation of the scope of its coverage to encompass “solid waste from the exploration, mining, milling, smelting and refining of ores and minerals” (45 FR 76618; USEPA, 1990a). The Simpson Amendment in 1984 created regulatory flexibility for the EPA to modify some of the requirements of Subtitle C for special wastes that the EPA determined to be hazardous under RCRA Subtitle C (“Subtitle C-Minus”), including mineral processing wastes (42 U.S.C. 6924(x)).

In 1984, the EPA was sued for failing to complete the section 8002 studies and associated Bevill Amendment regulatory determination by the statutorily imposed deadline (*Concerned Citizens of Adamstown vs. EPA*, No. 84–3041, D.D.C., August 21, 1985). The District Court for the District of Columbia ordered the EPA to complete the section 8002 studies and regulatory determination in accordance with the regulatory agenda submitted to the court. In responding to this lawsuit, the EPA detailed its plans for proposing a narrower interpretation of the scope of the Mining Waste Exclusion, a schedule for completing the section 8002 studies of mineral extraction and beneficiation wastes and submitting the associated

Report to Congress, and a schedule for proposing and promulgating a reinterpretation for mineral processing wastes. The EPA’s approach, which the Court agreed to, split the wastes that might be eligible for exclusion from regulation into two groups: mining (mineral extraction and beneficiation) wastes and mineral processing wastes. The Petition and this proposed denial focus on mineral processing wastes, which include phosphogypsum and process wastewater.

As described in section IV of this proposed denial, the EPA was required to study the disposal and utilization of wastes excluded from regulation under section 8002(p) using the following eight Bevill study factors:

1. The source and volume of such materials generated per year;
2. Present disposal and utilization practices;
3. Potential danger to human health and the environment from the disposal and reuse of such materials;
4. Documented cases in which danger to human health or the environment has been proven;
5. Alternatives to current disposal methods;
6. The costs of such alternatives;
7. The impacts of these alternatives on the use of phosphate rock, uranium ore, and other natural resources; and
8. The current and potential utilization of such materials.

In 1985, the EPA proposed narrowing the scope of the Mining Waste Exclusion for mineral processing wastes to only include a few specific waste streams, including phosphogypsum (50 FR 40292). However, the EPA withdrew this proposal in October 1986 (51 FR 36233), given the difficulty in articulating criteria for distinguishing exempt from non-exempt wastes and the approaching court-ordered deadline for final action. In July 1988, the court in *Environmental Defense Fund v. EPA*, 852 F.2d 1316 (D.C. Cir. 1988), cert. denied 109 S. Ct. 1120 (1989), ordered the EPA to define the specific mineral processing wastes that were eligible for the Mining Waste Exclusion and directed the EPA to restrict the scope of the Mining Waste Exclusion to include only “large volume, low hazard” wastes.

In the three years that followed this decision, the EPA proposed and promulgated several rules that redefined the boundaries of the exclusion for mineral processing wastes (54 FR 36592; 55 FR 2322). These rulemaking documents included explicit criteria for defining mineral beneficiation and processing, large volume and low hazard, as well as evaluations of which specific mineral industry wastes were in

conformance with these criteria, and thus, eligible for special wastes status. The rulemaking process was completed with the publication of final rules in 1989 (54 FR 36592) and 1990 (55 FR 2322). Only 20 specific mineral processing wastes ("Special 20"), which included phosphogypsum and process wastewater from phosphoric acid production, fulfilled the special wastes criteria; all other mineral processing wastes were removed from the Mining Waste Exclusion.

In 1989, the EPA also promulgated a National Emissions Standards for Hazardous Air Pollutants (NESHAP) under the Clean Air Act, which required all phosphogypsum to be disposed of in stacks or mines and limited their radon emissions (54 FR 38044). The NESHAP was later amended in 1992 to allow for agricultural, and research and development uses, of certain phosphogypsum meeting a maximum radium threshold (57 FR 23305).

In 1990, the EPA published a Report to Congress on special wastes from mineral processing (USEPA, 1990a; USEPA, 1990b). The EPA then promulgated the "Special Wastes from Mineral Processing Final Regulatory Determination and Final Rule" in June 1991 (56 FR 27300). In the regulatory determination (56 FR 27300), the EPA stated that although the management practices and state and federal regulations at the time did not adequately limit contaminant releases and associated risk from phosphogypsum and process wastewater, additional regulatory controls under RCRA Subtitle C or Subtitle D would result in unsustainable costs exceeding the operating margins of facilities. As a result, the EPA decided that additional controls may be warranted, but RCRA Subtitle C and Subtitle D were "too inflexible and costly for the industry to implement and remain viable" (56 FR 27300). For phosphogypsum and process wastewater specifically, the EPA decided at that time, to consider developing actions and initiatives under the Toxic Substances Control Act (TSCA) and to use existing authorities under RCRA section 7003 or CERCLA section 106 to respond to groundwater contamination at specific sites.

Under the TSCA regulatory program, the Phosphoric Acid Waste Dialogue FACA Committee was initiated in 1992, with members from interest groups, including industry, environmental organizations, and state and federal agencies. The Committee met six times between December 1992 and March 1994, with the charge to "provide a forum to address existing or potential

risks to human health or the environment from phosphoric acid production wastes" (Phosphorus Acid Waste Dialogue FACA Committee, 1995). The Committee was tasked with evaluating current processes and identifying site-specific process changes that could potentially be applied to phosphoric acid production facilities on a case-by-case basis, to reduce the toxicity and/or volume of these wastes and achieve "environmental improvements from process changes that were technically and economically feasible" (Phosphorus Acid Waste Dialogue FACA Committee, 1995). While the Committee identified process changes and alternatives in their 1995 report, they did not find "any affordable, technologically feasible in-plant process changes that would significantly reduce volume and/or toxicity of phosphogypsum or phosphoric acid process wastewater," and the EPA pursued no further regulatory action (Phosphorus Acid Waste Dialogue FACA Committee, 1995).

IV. Reasons for the EPA's Proposed Denial of the Petition

Petition Does Not Adequately Support a Decision by the EPA To Reconsider the Bevill Status of Phosphogypsum or Process Wastewater Under RCRA

When Congress originally excluded mining wastes from RCRA Subtitle C regulations (Bevill Amendment of 1980), it gave the EPA direction to study these wastes and determine which should remain exempt. In 1985, the EPA published the required Report to Congress on Solid Wastes from Mineral Extraction and Beneficiation (USEPA, 1985) and in 1991, the EPA promulgated the "Special Wastes from Mineral Processing Final Regulatory Determination and Final Rule" (56 FR 27300). The EPA studied all exempted mineral processing wastes and retained the exemption for only the Special 20 large volume wastes based on eight Bevill study factors (56 FR 27300). The EPA further studied phosphogypsum and process wastewater and found alternatives to current disposal methods where the toxicity of phosphogypsum wastes could be reduced. However, the costs involved were prohibitive to the industry (56 FR 27300; USEPA, 1998a).

Because an analysis of the Bevill study factors was the first step in determining whether the exemption should be retained, the EPA has analyzed this Petition by examining information submitted by the Petitioners relevant to the Bevill study factors in RCRA 8002. As described below, the

Petition has not provided sufficient information to warrant the EPA's reconsideration of the 1991 Bevill determination that exempted phosphogypsum and process wastewater from RCRA Subtitle C.

The Petition states that the EPA is not precluded from revisiting the Bevill regulatory determination if more information becomes known. However, as described below, the Petition largely presents information that was already considered during the EPA's evaluation of phosphogypsum and process wastewater (USEPA, 1990a) and described in the cache of regulatory documents leading to the identification of the Special 20 (56 FR 27300) (USEPA, 1998a).

Bevill factor 1 pertains to the source and volume of materials generated per year. Petitioners cite sources (Petition section III and VII.A.2.b.) and quantities (Petition sections III and VII.A.2.h.) of phosphogypsum directly from the 1990 Report to Congress on Special Wastes from Mineral Processing (USEPA, 1990a). The information submitted by Petitioners does not differ from the sources and quantities previously studied by the EPA (USEPA, 1990a) and described in the cache of regulatory documents leading to the identification of the Special 20 (56 FR 27300).

Bevill factor 2 pertains to present disposal and utilization practices. The Petition discusses disposal of phosphogypsum in large stacks with basic engineered controls (*i.e.*, single liners, clay liners, vegetative and soil covers) and process wastewater in ponds and ditches for recirculation/utilization in the fertilizer plant (Petition sections III and VII.A.2.g.). The information submitted by Petitioners does not differ from the disposal and utilization practices previously studied by the EPA (USEPA, 1990a) and described in the cache of regulatory documents leading to the identification of the Special 20 (56 FR 27300).

Bevill factor 3 pertains to potential danger to human health and the environment from disposal and reuse. The Petition discusses impacts to ground and surface waters, aquatic life, and air quality (Petition section V) that were specifically identified in the 1990 Report to Congress on Special Wastes from Mineral Processing (USEPA, 1990a). This information was previously studied by the EPA (USEPA, 1990a) and described in the regulatory documents leading to the identification of the Special 20 (56 FR 27300).

Bevill factor 4 pertains to documented cases in which danger to human health or the environment has been proven. Petitioners identify recent damage cases

where levees/embankments were breached or sinkholes formed, releasing process wastewater and/or phosphogypsum (Petition section VII.A.2.g.). However, the 1985 Report to Congress (USEPA, 1985), “Damage Cases and Environmental Releases from Mines and Mineral Processing” document (USEPA, 1998b), and “Risks Posed by Bevill Wastes” document (USEPA, 1998c) considered similar levee/embankment breaches and sinkhole formation damage cases. Because the EPA has previously considered these types of damages in its prior studies, in effect, Petitioners have not presented information beyond what was considered in those documents and the original studies that retained phosphogypsum and process wastewater as mineral processing wastes exempted by Bevill.

Bevill factor 5 pertains to alternatives to current disposal methods. The Petition lists seven alternatives to current phosphogypsum and process wastewater management (Petition section XIV). However, Petitioners have not presented sufficient information on these alternatives and their feasibility (including costs, current use, potential use, and environmental impact) to convince the EPA that re-evaluation of Bevill is warranted. In addition, the EPA previously conducted an evaluation of alternatives, which did consider the costs, current use, potential use, and environmental impact of available alternatives at the time (USEPA, 1990a), and as described in the cache of regulatory documents leading to the identification of the Special 20 (56 FR 27300). The Phosphoric Acid Waste Dialogue FACA Committee also evaluated alternatives and concluded that none of the potential alternatives identified in their report, or any other known technology at the time, offered significant reductions in the volume and/or toxicity of the waste streams from the production of phosphoric acid using the sulfuric acid wet process (Phosphoric Acid Waste Dialogue FACA Committee, 1995).

Bevill factor 6 refers to the costs of such alternatives. The Petition does not present any information on this factor.

Bevill factor 7 pertains to the impact of those alternatives on the use of phosphate rock and uranium ore, and other natural resources. The Petition does not present any information on this factor.

Bevill factor 8 refers to current and potential utilization. The Petition mentions the 2020 approval of the use of phosphogypsum in road construction projects as part of its argument for a TSCA Significant New Use (Petition

section XII). While this proposed denial does not address the TSCA elements of the Petition (previously addressed in 86 FR 27546), the EPA also does not think that the information presented by Petitioners regarding the use in road construction warrants reconsideration of Bevill, in terms of factor 8. In the 2020 rulemaking (85 FR 66550), the EPA concluded that the Fertilizer Institute’s risk assessment was largely consistent with the EPA’s 1992 amendment to NESHAP (57 FR 23305) and adequately demonstrated that the use of phosphogypsum in government road construction projects is at least as protective of human health, in the short- and long-term, as stacking. The EPA established specific terms and conditions including continued control, maintenance, and use of government roads constructed with phosphogypsum, which addressed concerns with potential exposures from abandoned roads (85 FR 66550).

Because Petitioners have failed to provide sufficient information to support the request to reverse the 1991 Bevill regulatory determination for phosphogypsum and process wastewater, the EPA is proposing to deny the Petition.

Furthermore, phosphogypsum and process wastewater are excluded from management as hazardous waste pursuant to the Bevill regulatory determination. Because the Petition does not adequately support a decision to reconsider the Bevill status of phosphogypsum and process wastewater under RCRA, further evaluation of Petitioner’s secondary request to govern phosphogypsum and process wastewater as hazardous waste under RCRA Subtitle C is also not warranted. For the same reason, the EPA declines to further consider regulatory changes under the 1984 RCRA Simpson Amendment (Subtitle C-Minus), which provides flexibility for the EPA to modify some of the requirements of Subtitle C for special wastes that the EPA determines are hazardous.

For the reasons set forth above, the EPA finds that the Petition has not provided sufficient information, beyond what was already considered during the EPA’s evaluation of phosphogypsum and process wastewater (56 FR 27300; USEPA, 1990a; USEPA, 1998a), to consider additional modifications authorized by 42 U.S.C. 6924(x).

V. References

The following is a listing of the documents that are specifically referenced in this document. The docket includes these documents considered by the EPA. For assistance in locating these

documents, please consult the person listed under **FOR FURTHER INFORMATION CONTACT**.

1. CBD. Notice of Intent to Sue for Failure to Perform a Nondiscretionary Duty under the Resource Conservation and Recovery Act. February 13, 2024.
2. CBD. Notice of Petition for Rulemaking Pursuant to section 7004(A) of the Resource Conservation and Recovery Act, 42 U.S.C. 6974(A); section 21 of the Toxic Substances Control Act, 15 U.S.C. 2620; and section 553(E) of the Administrative Procedure Act, 5 U.S.C. 553(E), Concerning the Regulation of Phosphogypsum and Process Wastewater from Phosphoric Acid Production. February 8, 2021.
3. USEPA. Identification and Description of Mineral Processing Sectors; Technical Background Document; Final. EPA 530–R–99–022. April 1998a.
4. USEPA. Report to Congress on Special Wastes from Mineral Processing: Summary and Findings. EPA 530–SW–90–070B. July 1990a.
5. USEPA. Environmental Fact Sheet: Agency Releases Report to Congress on Special Wastes from Mineral Processing. EPA 530–SW–90–070A. July 1990b.
6. USEPA. Identification and Listing of Hazardous Waste. 45 FR 76618. November 19, 1980.
7. Concerned Citizens of Adamstown vs. EPA, No. 84–3041, D.D.C. August 21, 1985.
8. USEPA. Report to Congress on Wastes from the Extraction and Beneficiation of Metallic Ores, Phosphate Rock, Asbestos, Overburden from Uranium Mining, and Oil Shale. EPA 530–SW–85–033. December 1985.
9. USEPA. Regulatory Determination for Wastes from the Extraction and Beneficiation of Ores and Minerals. 51 FR 24496. July 3, 1986.
10. USEPA. Mining Waste Exclusion. 50 FR 40292. October 2, 1985.
11. USEPA. Mining Waste Exclusion; Withdrawal of Proposed Provision. 51 FR 36233. October 9, 1986.
12. Environmental Defense Fund v. EPA, 852 F.2d 1316 (DC Cir 1988), cert. denied, 109 S. Ct. 1120 (1989).
13. USEPA. Mining Waste Exclusion I. 54 FR 36592. September 1, 1989.
14. USEPA. Mining Waste Exclusion; Section 3010 Notification for Mineral Processing Facilities; Designated Facility Definition; Standards Applicable to Generators of Hazardous Waste. 55 FR 2322. January 23, 1990.
15. USEPA. National Emission Standards for Hazardous Air Pollutants. 54 FR 38044. September 14, 1989.
16. USEPA. National Emission Standards for Hazardous Air Pollutants; National Emissions Standards for Radon Emissions from Phosphogypsum Stacks. 57 FR 23305. June 3, 1992.
17. USEPA. Final Regulatory Determination for Special Wastes from Mineral Processing (Mining Waste Exclusion). Bevill Determination. 56 FR 27300. June 13, 1991.

18. Phosphoric Acid Waste Dialogue FACA Committee. Report on the Activities and Recommendations of the Phosphoric Acid Waste Dialogue FACA Committee. September 1995.
19. USEPA. Damage Cases and Environmental Releases from Mines and Mineral Processing Wastes. EPA 530-R-99-023. April 1998b.
20. USEPA. Risks Posed by Beville Wastes. RCRA Docket No. F-98-2P4F-FFFFF. April 1998c.
21. USEPA. Petition for Rulemaking under TSCA; Reasons for Agency Response; Denial of Requested Rulemaking. 86 FR 27546. May 21, 2021.
22. USEPA. Approval of the Request for Other Use of Phosphogypsum by the Fertilizer Institute. 85 FR 66550. October 20, 2020.

Lee Zeldin,
Administrator.

[FR Doc. 2026-08097 Filed 4-23-26; 8:45 am]
BILLING CODE 6560-50-P

ENVIRONMENTAL PROTECTION AGENCY

[FRL OPRM-FAD-219]

Environmental Impact Statements; Notice of Availability

Responsible Agency: Office of Federal Activities, General Information 202-993-3272 or <https://www.epa.gov/nepa>. Weekly receipt of Environmental Impact Statements (EIS)

Filed April 13, 2026 10 a.m. EST

Through April 20, 2026 10 a.m. EST
Pursuant to CEQ Guidance on 42 U.S.C. 4332.

Notice: Section 309(a) of the Clean Air Act requires that EPA make public its comments on EISs issued by other Federal agencies. EPA's comment letters on EISs are available at: <https://cdxapps.epa.gov/cdx-enepa-II/public/action/eis/search>.

EIS No. 20260047, Draft, USFS, AK, Twin Mountain II Timber Sale, Comment Period Ends: 06/08/2026, Contact: Valeria Cancino Hernandez 907-228-6338.

EIS No. 20260048, Final, NRC, NAT, Generic Environmental Impact Statement for Licensing of New Nuclear Reactors, Final Report, NUREG-2249, Contact: Stacey Imboden 301-415-2462.

EIS No. 20260049, Final, USAF, OK, T-7A Recapitalization at Vance Air Force Base, Oklahoma, Contact: Chinling Chen 580-213-7273.

EIS No. 20260050, Final, BOEM, CA, DCOR, LLC Well Stimulation Treatment EIS, Contact: Lisa Gilbane 805-384-6300.

Dated: April 21, 2026.

Nancy Abrams,

Deputy Director, Federal Activities Division.

[FR Doc. 2026-08029 Filed 4-23-26; 8:45 am]

BILLING CODE 6560-50-P

FEDERAL RESERVE SYSTEM

Formations of, Acquisitions by, and Mergers of Bank Holding Companies

The companies listed in this notice have applied to the Board for approval, pursuant to the Bank Holding Company Act of 1956 (12 U.S.C. 1841 *et seq.*) (BHC Act), Regulation Y (12 CFR part 225), and all other applicable statutes and regulations to become a bank holding company and/or to acquire the assets or the ownership of, control of, or the power to vote shares of a bank or bank holding company and all of the banks and nonbanking companies owned by the bank holding company, including the companies listed below.

The public portions of the applications listed below, as well as other related filings required by the Board, if any, are available for immediate inspection at the Federal Reserve Bank(s) indicated below and at the offices of the Board of Governors. This information may also be obtained on an expedited basis, upon request, by contacting the appropriate Federal Reserve Bank and from the Board's Freedom of Information Office at <https://www.federalreserve.gov/foia/request.htm>. Interested persons may express their views in writing on the standards enumerated in the BHC Act (12 U.S.C. 1842(c)).

Comments received are subject to public disclosure. In general, comments received will be made available without change and will not be modified to remove personal or business information including confidential, contact, or other identifying information. Comments should not include any information such as confidential information that would not be appropriate for public disclosure.

Comments regarding each of these applications must be received at the Reserve Bank indicated or the offices of the Board of Governors, Benjamin W. McDonough, Secretary of the Board, 20th Street and Constitution Avenue NW, Washington, DC 20551-0001, not later than May 25, 2026.

A. *Federal Reserve Bank of Boston* (Prabal Chakrabarti, Executive Vice President) 600 Atlantic Avenue, Boston, Massachusetts 02210-2204. Comments can also be sent electronically to BOS.SRC.Applications.Comments@bos.frb.org:

1. *Green Mountain Mutual Bancorp, Brattleboro, Vermont*; to become a bank holding company by acquiring Brattleboro Savings and Loan Association (Brattleboro), Brattleboro, Vermont, upon the conversion of Brattleboro from mutual to stock form.

Board of Governors of the Federal Reserve System.

Benjamin W. McDonough,
Secretary of the Board.

[FR Doc. 2026-08099 Filed 4-23-26; 8:45 am]

BILLING CODE: P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Centers for Medicare & Medicaid Services

[Document Identifier: CMS-10224 and CMS-10282]

Agency Information Collection Activities: Submission for OMB Review; Comment Request

AGENCY: Centers for Medicare & Medicaid Services, Health and Human Services (HHS).

ACTION: Notice.

SUMMARY: The Centers for Medicare & Medicaid Services (CMS) is announcing an opportunity for the public to comment on CMS' intention to collect information from the public. Under the Paperwork Reduction Act of 1995 (PRA), federal agencies are required to publish notice in the **Federal Register** concerning each proposed collection of information, including each proposed extension or reinstatement of an existing collection of information, and to allow a second opportunity for public comment on the notice. Interested persons are invited to send comments regarding the burden estimate or any other aspect of this collection of information, including the necessity and utility of the proposed information collection for the proper performance of the agency's functions, the accuracy of the estimated burden, ways to enhance the quality, utility, and clarity of the information to be collected, and the use of automated collection techniques or other forms of information technology to minimize the information collection burden.

DATES: Comments on the collection(s) of information must be received by the OMB desk officer by May 26, 2026.

ADDRESSES: Written comments and recommendations for the proposed information collection should be sent within 30 days of publication of this notice to www.reginfo.gov/public/do/

PRAMain. Find this particular information collection by selecting “Currently under 30-day Review—Open for Public Comments” or by using the search function.

To obtain copies of a supporting statement and any related forms for the proposed collection(s) summarized in this notice, please access the CMS PRA website by copying and pasting the following web address into your web browser: <https://www.cms.gov/Regulations-and-Guidance/Legislation/PaperworkReductionActof1995/PRA-Listing>.

FOR FURTHER INFORMATION CONTACT: William Parham at (410) 786–4669.

SUPPLEMENTARY INFORMATION: Under the Paperwork Reduction Act of 1995 (PRA) (44 U.S.C. 3501–3520), federal agencies must obtain approval from the Office of Management and Budget (OMB) for each collection of information they conduct or sponsor. The term “collection of information” is defined in 44 U.S.C. 3502(3) and 5 CFR 1320.3(c) and includes agency requests or requirements that members of the public submit reports, keep records, or provide information to a third party. Section 3506(c)(2)(A) of the PRA (44 U.S.C. 3506(c)(2)(A)) requires federal agencies to publish a 30-day notice in the **Federal Register** concerning each proposed collection of information, including each proposed extension or reinstatement of an existing collection of information, before submitting the collection to OMB for approval. To comply with this requirement, CMS is publishing this notice that summarizes the following proposed collection(s) of information for public comment.

Information Collection

1. *Type of Information Collection Request:* Revision of a currently approved collection; *Title of Information Collection:* CMS HCPCS Modification to Code Set Form; *Use:* The Healthcare Common Procedure Coding System (HCPCS) Level II code set is one of the standard code sets used for this purpose. The HCPCS Level II code set, also referred to as alpha-numeric codes, is a standardized coding system that is used primarily to identify items, supplies, and services not included in the HCPCS Level I Current Procedural Terminology (CPT®) codes, such as ambulatory services and durable medical equipment, prosthetics, orthotics, and supplies when used in the home or outpatient setting as well as certain drugs and biologicals. Because Medicare and other insurers cover a variety of these services and supplies, HCPCS Level II codes were established

for assignment by insurers to identify items on claims. HCPCS Level II classifies similar items or services that are medical in nature into categories for the purpose of efficient claims processing. For each alpha-numeric HCPCS code, there is descriptive terminology that identifies a category of like items.

As stated in 42 CFR Sec. 414.40(a) CMS establishes uniform national definitions of services, codes to represent services, and payment modifiers to the codes. The HCPCS code set has been maintained and distributed via modifications of codes, modifiers and descriptions, as a direct result of data received from applicants. Thus, information collected in the application is significant to code set maintenance. The HCPCS code set maintenance is an ongoing process, as changes are implemented and updated quarterly (for drug and biological products) and biannual (for non-drug and non-biological items or services); therefore, the process requires continual collection of information from applicants on a quarterly and bi-annual basis. As new technology evolves and new devices, drugs and supplies are introduced to the market, applicants submit applications to CMS requesting modifications to the HCPCS Level II code set. *Form Number:* CMS–10244 (OMB control number: 0938–1042); *Frequency:* Annually; *Affected Public:* Private sector, Business or other for-profit; Number of Respondents: 250; Total Annual Responses: 250; Total Annual Hours: 2,500. (For policy questions regarding this collection contact Sundus Ashar at 410–786–0750.)

2. *Type of Information Collection Request:* Reinstatement with change of a previously approved collection; *Title of Information Collection:* Conditions of Participation for Comprehensive Outpatient Rehabilitation Facilities (CORFs); *Use:* The purpose of this package is to request approval from the Office of Management and Budget (OMB) to reinstate, with change, the information collection request. CORFs provide coordinated outpatient diagnostic, therapeutic, and restorative services to rehabilitate individuals who are injured, disabled or ill. Physical, occupational and speech-language therapy may be provided at a single, off-site location. CORFs must provide the following core services:

- Physician consultation and supervision of staff, oversight of treatment plans, and facility administration;
- Physical therapy and social or psychological services.

The information collections (ICs) described herein enable the Centers for Medicare & Medicaid Services (CMS) to ensure CORFs comply with the initial and ongoing Medicare Conditions of Participation (CoPs) specified at Title 42 Code of Regulations (CFR) Section 485, Subpart B. These CoPs help assure a minimal level of patient health and safety in participating facilities and help ensure that Medicare requirements are being met. The only CoP with ICs is 42 CFR 485.66 and the burden estimates are designated as: IC–1a: § 485.66(a)—for Newly Certified CORFs to Develop Utilization Review Plan and IC–1b: § 485.66—for Currently Certified CORFs to Conduct Annual Utilization Reviews.

The previous iteration of this package included an estimated annual burden of 1,504 hours and an annual cost of \$103,776. For this reinstatement, the total annual hourly burden is revised to 1,260 hours, with an annual burden cost of \$108,190. The 16% decrease in burden hours (from 1,504 to 1,260) is primarily due to the decrease in number of certified CORFs from 188 in the prior iteration to 155 in this reinstatement and the addition of IC–1a for newly certified CORFs to develop a utilization review plan which was unintentionally omitted in prior request but is not a new requirement. *Form Number:* CMS–10282 (OMB control number: 0938–1091); *Frequency:* Yearly; *Affected Public:* Business or other for-profits and Not-for-profit institutions; *Number of Respondents:* 158; *Total Annual Responses:* 158; *Total Annual Hours:* 1,260. (For policy questions regarding this collection contact Claudia Molinar at 410–786–8445.)

William N. Parham, III,

Director, Division of Information Collections and Regulatory Impacts, Office of Strategic Operations and Regulatory Affairs.

[FR Doc. 2026–08025 Filed 4–23–26; 8:45 am]

BILLING CODE 4120–01–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Food and Drug Administration

[FDA–2026–N–3334]

Report on the Performance of Drug and Biologics Firms in Conducting Postmarketing Requirements and Commitments; Availability

AGENCY: Food and Drug Administration, HHS.

ACTION: Notice of availability.

SUMMARY: The Food and Drug Administration (FDA or Agency) is announcing the availability of the

Agency's annual report entitled "Report on the Performance of Drug and Biologics Firms in Conducting Postmarketing Requirements and Commitments." Under the Federal Food, Drug, and Cosmetic Act (FD&C Act), FDA is required to report annually on the status of postmarketing requirements (PMRs) and postmarketing commitments (PMCs) required of, or agreed upon by, application holders of approved drug and biological products. The report on the status of the studies and clinical trials that applicants are required to, or have agreed to, conduct is on the FDA's website entitled "Postmarketing Requirements and Commitments: Reports" (<https://www.fda.gov/drugs/postmarketing-requirements-and-commitments-introduction/postmarketing-requirements-and-commitments-reports>).

FOR FURTHER INFORMATION CONTACT:

Lauren Choi, Center for Drug Evaluation and Research, Food and Drug Administration, 10903 New Hampshire Ave., Bldg. 22, Rm. 6300, Silver Spring, MD 20993-0002, 301-796-0700; or Phillip Kurs, Center for Biologics Evaluation and Research, Food and Drug Administration, 10903 New Hampshire Ave., Bldg. 71, Rm. 7217, Silver Spring, MD 20993-0002, 240-402-0467.

SUPPLEMENTARY INFORMATION:

I. Background

Section 506B(c) of the FD&C Act (21 U.S.C. 356b(c)) requires FDA to publish an annual report on the status of postmarketing studies that applicants are required to, or have committed to, conduct and for which annual status reports have been submitted. Under §§ 314.81(b)(2)(vii) and 601.70 (21 CFR 314.81(b)(2)(vii) and 601.70), applicants of approved drug products and licensed biological products are required to submit annually a report on the status of each clinical safety, clinical efficacy, clinical pharmacology, and nonclinical toxicology study or clinical trial either required by FDA (PMRs) or that they have committed to conduct (PMCs), either at the time of approval or after approval of their new drug application, abbreviated new drug application, or biologics license application, as applicable. The status of PMCs concerning chemistry, manufacturing, and production controls and the status of other studies or clinical trials conducted on an applicant's own initiative are not required to be reported under §§ 314.81(b)(2)(vii) and 601.70 and are not addressed in this report. Furthermore, section 505(o)(3)(E) of the

FD&C Act (21 U.S.C. 355(o)(3)(E)) requires that applicants report periodically on the status of each required study or clinical trial and each study or clinical trial "otherwise undertaken . . . to investigate a safety issue . . ."

An applicant must report on the progress of the PMR/PMC on the anniversary of the drug product's approval¹ until the PMR/PMC is completed or terminated and FDA determines that the PMR/PMC has been fulfilled or that the PMR/PMC is either no longer feasible or would no longer provide useful information.

II. Fiscal Year 2024 Report

With this notice, FDA is announcing the availability of the Agency's annual report entitled "Report on the Performance of Drug and Biologics Firms in Conducting Postmarketing Requirements and Commitments." Information in this report covers any PMR/PMC that was established, in writing, at the time of approval or after approval of an application or a supplement to an application and summarizes the status of PMRs/PMCs in fiscal year 2024 (*i.e.*, as of September 30, 2024). Information summarized in the report reflects combined data from the Center for Drug Evaluation and Research and the Center for Biologics Evaluation and Research and includes the following: (1) the number of applicants with open PMRs/PMCs; (2) the number of open PMRs/PMCs; (3) the timeliness of applicant submission of the annual status reports (ASRs); (4) FDA-verified status of open PMRs/PMCs reported in § 314.81(b)(2)(vii) or § 601.70 ASRs; (5) the status of closed PMRs/PMCs; and (6) the distribution of the status by fiscal year (FY) of establishment² (FY2018 to FY2024) for PMRs and PMCs open at the end of FY2024, or those closed within FY2024. Additional information about PMRs/PMCs is provided on FDA's website at <https://www.fda.gov/drugs/guidance-compliance-regulatory-information/postmarketing>.

¹ An applicant must submit an annual status report on the progress of each open PMR/PMC within 60 days of the anniversary date of U.S. approval of the original application or on an alternate reporting date that was granted by FDA in writing. Some applicants have requested and been granted by FDA alternate annual reporting dates to facilitate harmonized reporting across multiple applications.

² The establishment date is the date of the formal FDA communication to the applicant that included the final FDA-required (PMR) or requested (PMC) postmarketing study or clinical trial.

requirements-and-commitments-introduction.

Grace R. Graham,

Deputy Commissioner for Policy, Legislation, and International Affairs.

[FR Doc. 2026-08084 Filed 4-23-26; 8:45 am]

BILLING CODE 4164-01-P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Food and Drug Administration

[FDA-2026-N-3445]

Egis Pharmaceuticals Limited, et al.; Withdrawal of Approval of Three Abbreviated New Drug Applications

AGENCY: Food and Drug Administration, HHS.

ACTION: Notice.

SUMMARY: The Food and Drug Administration (FDA or Agency) is withdrawing approval of three abbreviated new drug applications (ANDAs) from the holders of those ANDAs. The basis for the withdrawal is that the ANDA holders have repeatedly failed to file required annual reports for those ANDAs.

DATES: Approval is withdrawn as of April 24, 2026.

FOR FURTHER INFORMATION CONTACT: Martha Nguyen, Center for Drug Evaluation and Research, Food and Drug Administration, 10903 New Hampshire Ave., Bldg. 75, Rm. 1676, Silver Spring, MD 20993-0002, 301-796-3471, Martha.Nguyen@fda.hhs.gov.

SUPPLEMENTARY INFORMATION: The holder of an approved application to market a new drug for human use is required to submit annual reports to FDA concerning its approved application in accordance with §§ 314.81 and 314.98 (21 CFR 314.81 and 314.98).

In the **Federal Register** of December 29, 2025 (90 FR 60724), FDA published a notice offering an opportunity for a hearing (NOOH) on a proposal to withdraw approval of three ANDAs because the holders of these ANDAs had repeatedly failed to submit the required annual reports for these ANDAs. The holders of these ANDAs did not respond to the NOOH. Failure to file a written notice of participation and request for hearing as required by § 314.200 (21 CFR 314.200) constitutes a waiver of the opportunity for hearing by the holders of the ANDAs concerning the proposal to withdraw approval of the ANDAs and a waiver of any contentions concerning the legal status of the drug products. Therefore, FDA is withdrawing approval

of the three applications listed in Table 1 of this document.

TABLE 1—APPROVED ANDAS FOR WHICH REQUIRED REPORTS HAVE NOT BEEN SUBMITTED

Application No.	Drug	Applicant
ANDA 060453	Bacitracin-neomycin sulfate-polymyxin B sulfate ointment with dipiperdon hydrochloride.	Ambix Laboratories, 55 West End Rd., Totowa, NJ 07512.
ANDA 074748	Captopril tablet, 12.5 milligrams (mg), 25 mg, 50 mg, and 100 mg.	Egis Pharmaceuticals Ltd., 1475 Budapest 10 Pf. 100 Hungary.
ANDA 074808	Piroxicam capsule, 10 mg and 20 mg	Do.

FDA finds that the holders of the ANDAs listed in Table 1 have repeatedly failed to submit reports required by §§ 314.81 and 314.98. In addition, under § 314.200, FDA finds that the holders of the ANDAs have waived the opportunity for a hearing and any contentions concerning the legal status of the drug products. Therefore, based on these findings and pursuant to the authority under section 505(e) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355(e)), approval of the ANDAs listed in Table 1 and all amendments and supplements thereto, is hereby withdrawn as of April 24, 2026.

Grace R. Graham,

Deputy Commissioner for Policy, Legislation, and International Affairs.

[FR Doc. 2026–08020 Filed 4–23–26; 8:45 am]

BILLING CODE 4164–01–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Health Resources and Services Administration

Agency Information Collection

Activities: Proposed Collection: Public Comment Request; Information Collection Request Title: Data Collection Tool for State Offices of Rural Health Program, OMB No. 0915–0322—Revision

AGENCY: Health Resources and Services Administration (HRSA), Department of Health and Human Services.

ACTION: Notice.

SUMMARY: In compliance with the Paperwork Reduction Act of 1995, HRSA submitted an Information Collection Request (ICR) to the Office of Management and Budget (OMB) for review and approval. Comments submitted during the first public review of this ICR will be provided to OMB. OMB will accept further comments from the public during the review and approval period. OMB may act on HRSA's ICR only after the 30-day

comment period for this notice has closed.

DATES: Comments on this ICR should be received no later than May 26, 2026.

ADDRESSES: Written comments and recommendations for the proposed information collection should be sent within 30 days of publication of this notice to www.reginfo.gov/public/do/PRAMain. Find this particular information collection by selecting “Currently under Review—Open for Public Comments” or by using the search function.

FOR FURTHER INFORMATION CONTACT: To request a copy of the clearance requests submitted to OMB for review, email Samantha Miller, the HRSA Information Collection Clearance Officer, at paperwork@hrsa.gov or call (301) 443–3983.

SUPPLEMENTARY INFORMATION: When submitting comments or requesting information, please include the ICR title for reference.

Information Collection Request Title: Data Collection Tool for State Offices of Rural Health Program, OMB No. 0915–0322—Revision.

Abstract: HRSA is requesting OMB approval to continue use of a Technical Assistance (TA) Data Form (Technical Assistance Report) for the State Offices of Rural Health (SORH) program established by section 338J of the Public Health Service Act (42 U.S.C. 254r). In its authorizing language (sec. 711 of the Social Security Act [42 U.S.C. 912]), Congress charged HRSA's Federal Office of Rural Health Policy with administering grants, cooperative agreements, and contracts to provide TA and other activities as necessary to support activities related to improving health care in rural areas. The mission of FORHP is to sustain and improve access to quality health care services for rural communities. This electronic form is used to collect information from SORH grantees on the amount of direct TA they provide to clients within their state.

A 60-day notice published in the **Federal Register** on January 29, 2026,

vol. 91, No. 19; pp. 3897–3898. There were no public comments.

Need and Proposed Use of the Information: FORHP seeks to continue gathering information from grantees on their efforts to provide TA to clients within their states. SORH grantees submit a TA Report that includes: (1) the total number of TA encounters provided directly by the grantee; and, (2) the total number of unduplicated clients that received direct TA from the grantee. These measures will continue in these three categories: (1) information disseminated, (2) information created, and (3) collaborative efforts by (a) topic area and (b) type of audience.

After the 60-day FRN comment period, FORHP made minor revisions to the form to align with administration priorities. FORHP proposes the following minor revisions: removal of “*Type of audience collaborated with*” section, an edit to response categories under “*Topic area collaborations*” section, and adding two responses under the “*Types of Clients that Received TA*” to capture the number of new and returning organizations receiving TA during the reporting period. These measures are used to obtain an accurate depiction of the breadth of SORH work, based on recommendations from the grantees.

Submission of the TA Report is submitted via FORHP's Data Collection Platform no later than 60 days after the end of each 12-month budget period. Grant dollars are awarded annually; therefore, this information is needed annually by the program in order to measure effective use of grant dollars consistently among all the grantees.

Likely Respondents: Fifty SORH award recipients.

Burden Statement: Burden in this context means the time expended by persons to generate, maintain, retain, disclose, or provide the information requested. This includes the time needed to review instructions; to develop, acquire, install, and utilize technology and systems for the purpose of collecting, validating, and verifying information, processing and

maintaining information, and disclosing and providing information; to train personnel and to be able to respond to a collection of information; to search

data sources; to complete and review the collection of information; and to transmit or otherwise disclose the information. The total annual burden

hours estimated for this ICR are summarized in the table below.

TOTAL ESTIMATED ANNUALIZED BURDEN HOURS

Instrument name	Number of respondents	Number of responses per respondent	Total responses	Average burden per response (in hours)	Total burden hours
Technical Assistance Report	50	1	50	13.5	675
Total	50	.....	50	.....	675

HRSA specifically requests comments on (1) the necessity and utility of the proposed information collection for the proper performance of the agency's functions; (2) the accuracy of the estimated burden; (3) ways to enhance the quality, utility, and clarity of the information to be collected; and (4) the use of automated collection techniques or other forms of information technology to minimize the information collection burden.

Maria G. Button,

Director, Executive Secretariat.

[FR Doc. 2026-08094 Filed 4-23-26; 8:45 am]

BILLING CODE 4165-15-P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

[Document Identifier: OS-0945-0008]

Agency Information Collection Request; 30-Day Public Comment Request

AGENCY: Office of the Secretary, Office for Civil Rights, HHS.

ACTION: Notice.

SUMMARY: In compliance with the requirement of the Paperwork Reduction Act of 1995, the Office of the Secretary (OS), Office for Civil Rights (OCR), Department of Health and Human Services (HHS), announces that it has submitted the following Information Collection Request (ICR) to the Office of Management and Budget (OMB) for review and approval. The proposed information collection is summarized below and describes the nature of the information collection and its expected burden. Public comments on the ICR are invited. OMB will accept comments from the public during this review and approval period.

DATES: Comments on the ICR must be received on or before May 26, 2026.

ADDRESSES: Comments for the proposed information collection should be submitted electronically to the Office of

Information and Regulatory Affairs (OIRA), OMB, via <https://www.reginfo.gov/public/do/PRAMain> within 30 days of publication of this notice. You can find this particular information collection by selecting "Currently under Review—Open for Public Comments" or by using the search function.

FOR FURTHER INFORMATION CONTACT: You can see copies of supporting material for the proposed collection summarized in this notice by using the RegInfo.Gov search function under "Information Collection Review" and using either the "IC List" tab or "View Supporting Statement and Other Documents."

You may also request copies of the supporting material by emailing Harold Henderson at

OCRassuranceofcomplianceform@hhs.gov or by regular mail at:

Department of Health and Human Services, Office of the Secretary/Office for Civil Rights, Harold Henderson, Strategic Planning Division Paperwork Reduction Act Official, Office for Civil Rights, Office: (202) 868-9407, 200 Independence Avenue, SW, Washington, DC 20201.

Please include the document identifier OS-0945-0008 and project title for reference.

SUPPLEMENTARY INFORMATION: Under the Paperwork Reduction Act of 1995, 44 U.S.C. 3501-3521, federal agencies must obtain approval from OMB for each collection of information they conduct or sponsor. The revised information collection described below has been submitted to OMB for review.

Interested persons are invited to send comments regarding this burden estimate or any other aspect of this collection of information, including any of the following subjects:

(1) the necessity and utility of the proposed information collection for the proper performance of the agency's functions;

(2) the accuracy of the estimated burden;

(3) ways to enhance the quality, utility, and clarity of the information to be collected; and

(4) the use of automated collection techniques or other forms of information technology to minimize the information collection burden.

Title of the Collection: Assurance of Compliance, Form HHS-690.

Type of Collection: Revision of a currently approved collection.

OMB Control Number: 0945-0008.

Abstract: This Information Collection Request is to revise a previously approved collection 0945-0008 that will expire on April 30, 2026, titled: Assurance of Compliance, Form HHS-690.

One method the Federal Government uses to ensure civil rights compliance is to require covered entities to submit written assurances of compliance when applying for and receiving financial assistance. The assurances ensure covered entities are aware of their obligations under civil rights laws, conscience, and religious nondiscrimination laws enforced by OCR and certify that they will comply with them. A recipient's assurance and certification can provide an independent contractual basis for enforcement of nondiscrimination requirements and can also give rise to a False Claims Act violation.

The proposed revisions:

1. modify the parenthetical definitions of sex for Title IX and Section 1557 to hew closely to the statutory text. This revision also conforms to E.O. 14168 on "Defending Women from Gender Ideology Extremism and Restoring Biological Truth to the Federal Government" and the court order in *Texas v. Becerra*, No. 6:24-CV-211-JDK, 2024 WL 4490621, at *2 (E.D. Tex. Aug. 30, 2024) (staying nationwide the Section 1557 Final Rule definition of sex discrimination as including "sex characteristics, including intersex traits"; "pregnancy or related conditions"; "sexual orientation";

“gender identity”; and “sex stereotypes”);

2. update statutory citations where needed and include pinpoint citations to religious nondiscrimination authorities;

3. add a definition of “program or activity” consistent with the Civil Rights Restoration Act;

4. include a specific reference to the False Claims Act in light of compliance constituting a material condition of receipt of federal funds; and

5. make clear the form applies to both applicants and recipients.

Respondents: Entities applying for or receiving federal financial assistance from the Department of Health and Human Services.

Estimated Annualized Burden Hours

ESTIMATED ANNUALIZED BURDEN HOURS

Type of respondent	Form name	Number of respondents	Number responses per respondent	Avg. burden/response (in hours)	Total burden hours
States, certain health care providers, other persons, and entities.	Form HHS-690	8,486	1	4	33,944
Total .....	.....	8,486	.....	.....	33,944

Estimated Annual Burden Costs

The labor cost reflects the time a lawyer and a chief executive spend reviewing and signing Form HHS-690. Base hourly wages are from the Bureau of Labor Statistics (BLS) May 2023 Occupational Employment and Wage Statistics (OEWS):

- Lawyer (SOC 23-1011): \$84.84/hr.
- Chief Executive (SOC 11-1011): \$124.47/hr.

Weighted average hourly wage (75% lawyer, 25% chief executive): \$94.75/hr.

Fully loaded wage rate with 31% benefits: \$124.12/hr.

Per-respondent labor cost (4 hours × \$124.12): \$496.48.

Total annualized cost across 8,486 respondents: \$4,213,379.28.

Cost component	Rate/value
Loaded wage rate	\$124.12/hr.
Hours per respondent	4 hrs.
Labor cost per respondent.	\$496.48.
Total respondents	8,486.
Total annual labor cost.	\$4,213,379.28.

Frequency: The Applicant/Recipient provides this Assurance of Compliance when it applies for or receives new HHS funds.

Catherine Howard,

Paperwork Reduction Act Reports Clearance Officer, Office of the Secretary.

[FR Doc. 2026-08092 Filed 4-23-26; 8:45 am]

BILLING CODE 4153-01-P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

National Institutes of Health

National Institute on Drug Abuse; Notice of Meeting

Pursuant to section 1009 of the Federal Advisory Committee Act, as amended, notice is hereby given of a meeting of the National Advisory Council on Drug Abuse.

The meeting will be held as a hybrid meeting and is open to the public, as indicated below. Individuals who plan to view the virtual meeting and need special assistance such as sign language interpretation or other reasonable accommodations to view the meeting, should notify Dr. Gillian Acca via email at gillian.acca@nih.gov ten days in advance of the meeting. The open session of the meeting can be accessed from the NIH Videocast at the following link: (<http://videocast.nih.gov/>).

A portion of the meeting will be closed to the public in accordance with the provisions set forth in sections 552b(c)(4) and 552b(c)(6), Title 5 U.S.C., as amended. The grant applications and the discussions could disclose confidential trade secrets or commercial property such as patentable material, and personal information concerning individuals associated with the grant applications, the disclosure of which would constitute a clearly unwarranted invasion of personal privacy.

Name of Committee: National Advisory Council on Drug Abuse.

Date: May 5, 2026.

Closed: 10:30 a.m. to 12:15 p.m.

Agenda: To review and evaluate grant applications.

Open: 1:30 p.m. to 4:30 p.m.

Agenda: Presentations and other business of the Council.

Meeting Format: Hybrid Meeting.

Place: National Institutes of Health, Neuroscience Building, 6001 Executive Boulevard, Room 1135/45/55, Rockville, MD 20852.

Contact Person: Susan R.B. Weiss, Ph.D., Director Division of Extramural Research, Office of the Director, National Institute on Drug Abuse, NIH, Three White Flint North, Rm. 09D08, 11601 Landsdown Street, Bethesda, MD 20852, 301-443-6480, sweiss@nida.nih.gov.

Contact Person: Gillian Acca, Ph.D., Health Scientist Administrator, Division of Extramural Research, Office of Extramural Policy, National Institute on Drug Abuse, NIH, Three White Flint North, Rm. 09C70, 11601 Landsdown Street, Bethesda, MD 20852, 301-827-5863, gillian.acca@nih.gov.

Any interested person may file written comments with the committee by forwarding the statement to Dr. Gillian Acca via email at gillian.acca@nih.gov. The statement should include the name, address, telephone number and when applicable, the business or professional affiliation of the interested person.

Information is also available on the Institute's/Center's home page: www.drugabuse.gov/NACDA/NACDAHome.html, where an agenda and any additional information for the meeting will be posted when available.

(Catalogue of Federal Domestic Assistance Program Nos. 93.277, Drug Abuse Scientist Development Award for Clinicians, Scientist Development Awards, and Research Scientist Awards; 93.278, Drug Abuse National Research Service Awards for Research Training; 93.279, Drug Abuse and Addiction Research Programs, National Institutes of Health, HHS)

Dated: April 21, 2026.

David W. Freeman,

Supervisory Program Analyst, Office of Federal Advisory Committee Policy.

[FR Doc. 2026-08019 Filed 4-23-26; 8:45 am]

BILLING CODE 4167-05-P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT**[Docket No. FR-7106-N-17]****Privacy Act of 1974; System of Records****AGENCY:** Office of Multifamily Housing, HUD.**ACTION:** Notice of a Modified System of Records.

SUMMARY: Pursuant to the provisions of the Privacy Act of 1974, as amended, the Department of the Housing and Urban Development (HUD), Office of Multifamily Housing, is issuing public notice of its intent to modify system of records for the Tenant Rental Assistance Certification System (TRACS). TRACS supports HUD's multifamily housing rental assistance programs by managing information about rental assistance contracts, tenants and property owners. The system is used to process housing subsidy payments, track contract funding amounts, and ensure that rental assistance payments are calculated and issued accurately. The modification makes clarifying changes to the System Manager and Routine Uses. The updates are explained in the "Supplementary Section" of this notice. This notice supersedes the previously published SORN.

DATES: Comments will be accepted on or before May 26, 2026. This proposed action will be effective immediately upon publication. Routine uses will become effective on the date following the end of the comment period unless comments are received which result in a contrary determination.

ADDRESSES: You may submit comments, identified by docket number or by one of the following methods:

Federal e-Rulemaking Portal: <http://www.regulations.gov>. Follow the instructions provided on that site to submit comments electronically.

Fax: 202-619-8365.

Email: privacy@hud.gov.

Mail: Attention: Privacy Office; Kimberly Morton, Acting Chief Privacy Officer; Office of the Executive Secretariat; 451 7th Street SW, Room 10139; Washington, DC 20410-0001.

Instructions: All submissions received must include the agency name and docket number for this rulemaking. All comments received will be posted without change to <https://www.regulations.gov>, including any personal information provided.

Docket: For access to the docket to read background documents or comments received, go to <https://www.regulations.gov>.

FOR FURTHER INFORMATION CONTACT:

Kimberly Morton, Acting Chief Privacy Officer; 451 7th Street, SW, Room 10139; Washington, DC 20410-0001; telephone number (804) 822-4801 (this is not a toll-free number). HUD welcomes and is prepared to receive calls from individuals who are deaf or hard of hearing, as well as individuals with speech or communication disabilities. To learn more about how to make an accessible telephone call, please visit <https://www.fcc.gov/consumers/guides/telecommunications-relayservice-trs>.

SUPPLEMENTARY INFORMATION: HUD, Office of Multifamily Housing maintains the TRACS System. HUD is publishing this notice to include these changes reflecting the modified items below:

1. System Manager(s): Updated to reflect current system manager.
2. Routine Uses for Records Maintained in the System: Updated to bring it to current applicable routine uses. Routine Use 18, which was previously added by 91 FR 2137 (January 16, 2026), has been incorporated at the end of the Routine Use Section.

SYSTEM NAME AND NUMBER:

Tenant Rental Assistance Certification System (TRACS), HUD/HOU-11.

SECURITY CLASSIFICATION:

Unclassified.

SYSTEM LOCATION:

The Department of Housing and Urban Development Headquarters, 451 7th Street, SW, Washington, DC 20410-0001; and at HUD Field and Regional Office. TRACS is maintained at: the National Center for Critical Information Processing and Storage, 9325 Cypress Loop Road, Stennis, MS 39629.

SYSTEM MANAGER(S):

Jamiece B. Sanders-Lambert, Management Information Specialist, Office of Deputy Assistant Secretary for Multifamily Housing Programs, 451 7th Street SW, Room 6124 Washington, DC 20410, (202)402-6373.

AUTHORITY FOR MAINTENANCE OF THE SYSTEM:

The United States Housing Act of 1937, Public Law 93-383, 88 Stat. 653, as amended, 42 U.S.C. 1437 *et seq.*; The Housing and Community Development Act of 1987, Public Law 100-242, 101 Stat. 1864, section 165, 42 U.S.C 3543, The Housing and Community Development Amendments of 1981, Public Law 97-35, 95 Stat. 408; The Stewart B. McKinney Homeless Assistance Amendments Act of 1988, Public Law 100-628, 102 Stat. 3259, section 904 as amended, 42 U.S.C. 3544.

PURPOSE(S) OF THE SYSTEM:

TRACS performs edit checks and accepts tenant and voucher request data needed to verify data quality, and interfaces with other HUD systems to validate tenant income, verify contract funding, obligate, and commit contract funds, provide information to other HUD divisions, and submit voucher requests for payment to minimize improper payments, and detect subsidy fraud, waste, and abuse in multifamily housing rental housing assistance programs. TRACS automates and integrates critical modules for TRACS activities related to the Contract Business System, the Tenant Business System, and the Voucher/Payment Business System:

- Integrated Multifamily Access Exchange (iMAX) provides efficient access to authorized industry partners (*i.e.*, Contract Administrators (CAs) and Owner/Agents (OAs)) to transmit tenant data and voucher data files to HUD and other authorized partners. Other authorized partners may include HUD contractors providing technical or operational support, financial institutions processing housing assistance payments, and federal oversight entities consistent with applicable law and published routine uses.

- Integrated Contracts (iCon) supports rental assistance contracts repository. Contracts are added (*e.g.*, for the Rental Assistance Demonstration (RAD) and Paperwork Reduction Act (PRA) Section 811 programs) and maintained by internal MFH staff.

- Automated Renewal and Amendment Management Subsystem (ARAMS) Supports funding functions for contract renewals and amendments. Headquarters staff enter and update funding transactions which are then interfaced to Line of Credit Control System (LOCCS).

CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:

Individuals receiving project-based rental housing assistance, property owner, management agent, and contract administrator who administers or receives subsidies.

CATEGORIES OF RECORDS IN THE SYSTEM:

Full Name, Social Security Number (SSN), Date of Birth, Employment Status/History/Information, Home Address, Marital Status, Military Status or other information, Race/Ethnicity, Phone Number(s), Email Address(s), Salary, Sex, Taxpayer ID, User ID, Name of head of household member, Name of all household members, Name of Owners/Management Agent, Tenant/

Owners/Management Agent, Identification number: Alien Registration Number and Taxpayer Identification Number (TIN), Spouse Name, and financial transactions pertaining to the contracts.

RECORD SOURCE CATEGORIES:

Records in the system are obtained from Owners/Management Agents/Housing Authorities and/or Contract Administrators on behalf of the assisted tenants. The TRACS system and contained subsystems may collect data and information from the following other systems: Geocode Service Center (GSC), Line of Credit Control System (LOCCS), HUD Central Accounting and Program System (HUDCAPS), Integrated Real Estate Management System (iREMS), and Web Access Security System (WASS).

ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND PURPOSES OF SUCH USES:

(1) To contractors, grantees, experts, consultants, Federal agencies, and non-Federal entities, including, but not limited to, State and local governments and other research institutions or their parties, and entities and their agents with whom HUD has a contract, service agreement, grant, cooperative agreement, or other agreement for the purposes of statistical analysis and research in support of program operations, management, performance monitoring, evaluation, risk management, and policy development, to otherwise support the Department's mission, or for other research and statistical purposes not otherwise prohibited by law or regulation. Records under this routine use may not be used in whole or in part to make decisions that affect the rights, benefits, or privileges of specific individuals. The entity receiving information under this routine use may not further disclose the records in an identifiable form.

(2) To Housing Authorities, (HAs) to verify the accuracy and completeness of tenant data used in determining eligibility and continued eligibility and the amount of housing assistance received.

(3) To Private Owners of assisted housing to verify the accuracy and completeness of the applicant and tenant data used in determining eligibility and continued eligibility and the amount of assistance received by the applicant.

(4) To HAs, owners, management agents and contract administrators to identify and resolve discrepancies in tenant data related to eligibility determinations, rental assistance

calculations, certification information, household composition or subsidy payment processing.

(5) To the Internal Revenue Service to report income using IRS Form 1099 and to disclose records to the Internal Revenue Service when HUD determines that the use of those records is relevant and necessary to report payments or discharge of indebtedness.

(6) To Social Security Administration and Immigration and Naturalization Service to verify alien status and continued eligibility in HUD's rental assistance programs via Enterprise Income Verification (EIV).

(7) To the congressional office from the record of an individual in response to an inquiry from that congressional office made at the request of the individual to whom the record pertains.

(8) To the Universal Service Administrative Company (USAC), which is designated by the Federal Communications Commission (FCC) as the Federal administrator of the Universal Service Fund (USF or Fund) Lifeline Program (Lifeline), the Emergency Broadband Benefit (EBB) program and other Federal Telecommunications Benefit (FTB) programs that utilizes Lifeline eligibility criteria as specified by the Lifeline program, 47 CFR 54.409. The purpose of this routine use is to establish eligibility for the Lifeline, EBB and other FTB programs for families which also participate in a HUD rental assistance program.

(9) To any Federal, State, or local agency (e.g., State agencies administering the State's unemployment compensation laws, Temporary Assistance to Needy Families, or Supplemental Nutrition Assistance Program agencies, U.S. Department of Health and Human Services, and U.S. Social Security Administration): To verify the accuracy and completeness of the data provided, to verify eligibility or continued eligibility in HUD's rental assistance programs, to identify and recover improper payments under the Payment Integrity Information Act of 2019, Public Law 116-117, and to aid in the identification of tenant errors, fraud, and abuse in assisted housing programs.

(10) To appropriate agencies, entities, and persons when: (1) HUD suspects or has confirmed that there has been a breach of the system of records; (2) HUD has determined that as a result of the suspected or confirmed breach there is a risk of harm to individuals, HUD (including its information systems, programs, and operations), the Federal Government, or national security; and (3) the disclosure made to such agencies, entities, and persons is

reasonably necessary to assist in connection with HUD's efforts to respond to the suspected or confirmed breach or to prevent, minimize, or remedy such harm.

(11) To another Federal agency or Federal entity, when HUD determines that information from this system of records is reasonably necessary to assist the recipient agency or entity in (1) responding to suspected or confirmed breach, or (2) preventing, minimizing, or remedying the risk of harm to individuals, the recipient agency or entity (including its information systems, programs, and operations), the Federal Government, or national security, resulting from a suspected or confirmed breach.

(12) To contractors, experts, and consultants with whom HUD has a contract, service agreement, or another assignment when HUD provides system access to HUD contractors to develop, maintain and troubleshoot application issues to support the Department's programs needed to meet its mission. Upgrades and migrations to this TRACS system are needed to meet the changes in technology and improve system performance.

(13) To Federal agencies, non-Federal entities, their employees, and agents (including contractors, their agents or employees; employees or contractors of the agents or designated agents); or contractors, their employees or agents with whom HUD has a contract, service agreement, grant, cooperative agreement, or computer matching agreement for the purpose of: (1) detection, prevention, and recovery of improper payments; (2) detection and prevention of fraud, waste, and abuse in major Federal programs administered by a Federal agency or non-Federal entity; (3) detection of fraud, waste, and abuse by individuals in their operations and programs; (4) for the purpose of establishing or verifying the eligibility of, or continuing compliance with statutory and regulatory requirements by, applicants for, recipients or beneficiaries of, participants in, or providers of services with respect to, cash or in-kind assistance or payments under Federal benefits programs or recouping payments or delinquent debts under such Federal benefits programs. Records under this routine use may be disclosed only to the extent that the information shared is necessary and relevant to verify pre-award and prepayment requirements prior to the release of Federal funds or to prevent and recover improper payments for services rendered under programs of HUD or of those Federal agencies and non-Federal entities to which HUD

provides information under this routine use.

(14) To contractors, grantees, experts, consultants and their agents, or others performing or working under a contract, service, grant, cooperative agreement, or other agreement with HUD, when necessary to accomplish an agency function related to a system of records.

(15) To any component of the Department of Justice or other Federal agency conducting litigation or in proceedings before any court, adjudicative, or administrative body, when HUD determines that the use of such records is relevant and necessary to the litigation and when any of the following is a party to the litigation or have an interest in such litigation: (1) HUD, or any component thereof; or (2) any HUD employee in his or her official capacity; or (3) any HUD employee in his or her individual capacity where the Department of Justice or agency conducting the litigation has agreed to represent the employee; or (4) the United States, or any agency thereof, where HUD determines that litigation is likely to affect HUD or any of its components.

(16) To appropriate Federal, State, local, Tribal, or other governmental agencies or multilateral governmental organizations responsible for investigating or prosecuting the violations of, or for enforcing or implementing, a statute, rule, regulation, order, or license, where HUD determines that the information would assist in the enforcement of civil or criminal laws and when such records, either alone or in conjunction with other information, indicate a violation or potential violation of law.

(17) To a court, magistrate, administrative tribunal, or arbitrator in the course of presenting evidence, including disclosures to opposing counsel or witnesses in the course of civil discovery, litigation, mediation, or settlement negotiations, or in connection with criminal law proceedings; when HUD determines that use of such records is relevant and necessary to the litigation and when any of the following is a party to the litigation or have an interest in such litigation: (1) HUD, or any component thereof; or (2) any HUD employee in his or her official capacity; or (3) any HUD employee in his or her individual capacity where HUD has agreed to represent the employee; or (4) the United States, or any agency thereof, where HUD determines that litigation is likely to affect HUD or any of its components.

(18) To the U.S. Department of the Treasury when disclosure of the

information is relevant to review payment and award eligibility through the Do Not Pay Working System for the purposes of identifying, preventing, or recouping improper payments to an applicant for, or recipient of, Federal funds, including funds disbursed by a state (meaning a state of the United States, the District of Columbia, a territory or possession of the United States, or a federally recognized Indian tribe) in a state-administered, federally funded program.

POLICIES AND PRACTICES FOR STORAGE OF RECORDS:

Records are stored in electronic and paper formats. Electronic records are maintained within HUD-authorized systems using encryption and restricted-access directories. Paper records are stored in secured offices or file cabinets with physical access controls.

POLICIES AND PRACTICES FOR RETRIEVAL OF RECORDS:

Records from this system may be retrieved by Name, SSN, and Home Address in connection with MFH rental assistance program records.

POLICIES AND PRACTICES FOR RETENTION AND DISPOSAL OF RECORDS:

TRACS retention and disposal requirements are assessed at the module level:

(a) ARAMS module (Contract Database) retention instruction is Temporary: Delete data twenty-five years after the contract expiration date.

(b) Tenant Module retention (Extract of TRACS Tenant Data (HUD 50059 data)) instruction is Permanent: Transfer current year electronic data to the National Archives annually at end of calendar year. The initial transfer must include historic (1995–2006) and current electronic data. N1–207–06–2, item 14.B (a)(2).

(c) Voucher Module (Voucher Database) retention instruction is Temporary: Archive data to tape five (5) years after the last voucher date or any voucher from a contract that has been terminated five (5) years or longer. Delete data from the tape twenty-five (25) years after the last voucher date or any voucher from a contract that has been terminated twenty-five (25) years or longer. N1–207–06–2-Item 14 B a2(c).

(d) iMAX Module retention is Temporary: Delete data twenty-five years after contract expiration date. (NARA Job No. N1–207–06–2, item 14.B (a)(2)(b)).

(e) User Guides and Manuals for TRACS and all modules or subsystems retention instruction is Temporary: Destroy or delete when superseded or obsolete. N1–207–06–2, item 14.D(e)

(f) iCon module (Contract Database) retention is Temporary: Delete data twenty-five years after the contract expiration date. Backup and Recovery of digital media will be destroyed or otherwise rendered irrecoverable per NIST SP 800–88 Revision 1 “Guidelines for Media Sanitization” N1–207–06–2-Item 14 B a2(b).

(g) Tenant Database (HUD 50059 data) retention is Temporary. Archive data to tape three (3) years after the certification effective date. NARA Job No. N1–207–06–2, item 14.B (a)

(h) Tenant Archives Database (Sub-set of data derived from Tenant Database) Retention is Temporary. Delete data twenty-five (25) years after the tenant move-out date or twenty-five (25) years after the termination date. NARA Job No. 1–207–06–2, item 14.B(a)(1).

(i) System Documentation and Data Administration Records GRS 3.1 Item 50 & 51

a. Item 50—Documentation necessary for preservation of permanent electronic records. Permanent. Transfer to the National Archives with the permanent electronic records to which the documentation relates. DAA–GRS–2013–0005–0002.

b. Item 51—All documentation for temporary electronic records and documentation not necessary for the preservation of permanent records Temporarily. Destroy 5 years after the project/activity/transaction is completed or superseded, or the associated system is terminated, or the associated data is migrated to a successor system, but longer retention is authorized if required for business use. DAA–GRS–2013–0005–0034.

(j) System Development records. GRS 3.1 Item 10 & 11

a. Item 10—Infrastructure project records. Temporary. Destroy 5 years after the project is terminated, but longer retention is authorized if required for business use. DAA–GRS–2013–0005–0006.

b. Item 11—System development records. Temporary. Destroy 5 years after the system is superseded by a new iteration, or is terminated, defunded, or no longer needed for agency/IT administrative purposes, but longer retention is authorized if required for business use. DAA–GRS–2013–0005–0007.

(k) Systems and data security records GRS 3.2 Item 10

a. Item 10—Systems and data security records. Temporary. Destroy 1 year after the system is superseded by a new iteration or when no longer needed for agency/IT administrative purposes to ensure a continuity of security controls

throughout the life of the system. DAA-GRS-2013-0006-0001.

(l) System Access Records GRS 3.2 Item 31

a. Item 31—Systems requiring special accountability for access. Temporary. Destroy 6 years after the password is altered or the user account is terminated, but longer retention is authorized if required for business use. DAA-GRS-2013-0006-0004.

(m) Input and Output Files GRS 5.1 Item 20

a. Item 20—Temporary. Destroy immediately after copying to a recordkeeping system or otherwise preserving, but longer retention is authorized if required for business use. DAA-GRS-2016-0016-0002.

ADMINISTRATIVE, TECHNICAL, AND PHYSICAL SAFEGUARDS:

Access to TRACS is by password and user ID and is limited to authorized users. Role-based access levels or assignment roles are restricted to those with a need to know. When first gaining access to TRACS annually, all users must agree to the system's Rules of Behavior, which specify the handling of personal information and any physical records. Access to facilities containing and storing physical copies of this data is controlled by security protocol signed to limit access to authorized individuals.

RECORD ACCESS PROCEDURES:

Individuals requesting records of themselves should address written inquiries to the Department of Housing Urban and Development, 451 7th Street, SW, Washington, DC 20410-0001. For verification, individuals should provide their full name, current address, and telephone number. In addition, the requester must provide either a notarized statement or an unsworn declaration made under 24 CFR 16.4.

CONTESTING RECORD PROCEDURES:

The HUD rule for contesting the content of any record pertaining to the individual by the individual concerned is published in 24 CFR 16.8 or may be obtained from the system manager.

NOTIFICATION PROCEDURES:

Individuals requesting notification of records of themselves should address written inquiries to the Department of Housing Urban Development, 451 7th Street, SW, Washington, DC 20410-0001. For verification purposes, individuals should provide their full

name, office or organization where assigned, if applicable, and current address and telephone number. In addition, the requester must provide either a notarized statement or an unsworn declaration made under 24 CFR 16.4.

EXEMPTIONS PROMULGATED FOR THE SYSTEM:

None.

HISTORY:

Docket No. FR-7092-N-40, 89 FR 92700, November 22, 2024, modified by Docket No. FR-7106-N-12, 91 FR 2137, January 16, 2026. Docket No. FR-7077-N-13A, 88 FR 62813, September 13, 2023. Docket No. FR-5921-N-13, 81 FR 56684, August 22, 2016.

Kimberly Morton,

Acting Chief Privacy Officer, Office of Administration.

[FR Doc. 2026-07999 Filed 4-23-26; 8:45 am]

BILLING CODE 4210-67-P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR-7107-N 06; OMB Control No.: 2528-0324]

30-Day Notice of Proposed Information Collection: HUD Secretary's Award

AGENCY: Office of Policy Development and Research, Chief Data Officer, HUD.

ACTION: Notice.

SUMMARY: HUD is seeking approval from the Office of Management and Budget (OMB) for the information collection described below. In accordance with the Paperwork Reduction Act, HUD is requesting comments from all interested parties on the proposed collection of information. The purpose of this notice is to allow for 30 days of public comment.

DATES: *Comments Due Date:* May 26, 2026.

ADDRESSES: Interested persons are invited to submit comments regarding this proposal. Written comments and recommendations for the proposed information collection should be sent within 30 days of publication of this notice to www.reginfo.gov/public/do/PRAMain. Find this particular information collection by selecting "Currently under 30-day Review—Open for Public Comments" or by using the search function.

FOR FURTHER INFORMATION CONTACT: Dr. John L. Murphy, Clearance Officer,

Paperwork Reduction Act Division, PRAD, Department of Housing and Urban Development, 2415 Eisenhower Avenue, Alexandria, VA 22314, Room 10000; email at PaperworkReductionActOffice@hud.gov, ATTN: John L. Murphy telephone (202) 402-8084. This is not a toll-free number. HUD welcomes and is prepared to receive calls from individuals who are deaf or hard of hearing, as well as individuals with speech or communication disabilities. To learn more about how to make an accessible telephone call, please visit <https://www.fcc.gov/consumers/guides/telecommunications-relay-service-trs>.

Copies of available documents submitted to OMB may be obtained from Mr. Murphy.

SUPPLEMENTARY INFORMATION: This notice informs the public that HUD is seeking approval from OMB for the information collection described in Section A. The **Federal Register** notice that solicited public comment on the information collection for a period of 60 days was published on January 9, 2026 at 91 FR 1001.

A. Overview of Information Collection

Title of Information Collection: Data Collection for the HUD's Secretary Award.

OMB Approval Number: 2528-0324.

Type of Request: Revision of a currently approved collection.

Form Number: HUD Secretary's Award form number—pending.

Description of the need for the information and proposed use: The U.S. Department of Housing and Urban Development (HUD) seeks to collect information that will be used to implement the HUD Secretary's Awards program. On an annual basis, HUD accepts nominations for various HUD Secretary's Awards categories. Each award recognizes awardees for their innovation and commitment to raising industry standards and increasing the quality of life for low- and moderate-income households. The HUD Secretary's Awards are an important public engagement activity that highlights best practices and innovations in the field and helps HUD communicate its priorities to the public and its partners. HUD will receive award nominations using an application form, with information collection via web-based forms or email submissions.

Information collection	Number of respondents	Frequency of response	Responses per annum	Burden hours per response	Annual burden hours	Hourly cost per response	Annual cost
HUD Secretary's Award Nomination Form	150	1	150	6	900	\$22.64	\$20,376.00
Total	150	.....	150	.....	900	—	20,376.00

B. Solicitation of Public Comment

This notice is soliciting comments from members of the public and affected parties concerning the collection of information described in Section A on the following:

(1) Whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility;

(2) The accuracy of the agency's estimate of the burden of the proposed collection of information;

(3) Ways to enhance the quality, utility, and clarity of the information to be collected; and

(4) Ways to minimize the burden of the collection of information on those who are to respond; including through the use of appropriate automated collection techniques or other forms of information technology, *e.g.*, permitting electronic submission of responses.

HUD encourages interested parties to submit comment in response to these questions.

C. Authority

Section 2 of the Paperwork Reduction Act of 1995, 44 U.S.C. 3507.

John L. Murphy,

Department Clearance Officer, Office of Policy Development and Research, Chief Data Officer.

[FR Doc. 2026-08001 Filed 4-23-26; 8:45 am]

BILLING CODE 4210-67-P

DEPARTMENT OF THE INTERIOR

Geological Survey

[Docket No. USGS-2025-0336; OMB Control Number 1028-0092; GX26EF00COM0000]

Agency Information Collection Activities; Topographic and Hydrography Data Grants

AGENCY: U.S. Geological Survey, Interior.

ACTION: Notice of Information Collection; request for comment.

SUMMARY: In accordance with the Paperwork Reduction Act (PRA) of 1995, the U.S. Geological Survey (USGS) is proposing to renew an information collection.

DATES: Interested persons are invited to submit comments on or before June 23, 2026.

ADDRESSES: You may submit comments by one of the following methods:

■ **Internet:** <https://www.regulations.gov>. Search for and submit comments on Docket No. USGS-2025-0336.

■ **U.S. Mail:** USGS, Information Collections Clearance Officer, 12201 Sunrise Valley Drive, MS 159, Reston, VA 20192.

FOR FURTHER INFORMATION CONTACT: To request additional information about this information collection request (ICR), contact Diana Thunen by email at dthunen@usgs.gov, or by telephone at 303-202-4279. Individuals in the United States who are deaf, deafblind, hard of hearing, or have a speech disability may dial 711 (TTY, TDD, or TeleBraille) to access telecommunications relay services. Individuals outside the United States should use the relay services offered within their country to make international calls to the point-of-contact in the United States.

SUPPLEMENTARY INFORMATION: In accordance with the PRA (44 U.S.C. 3501 *et seq.*) and 5 CFR 1320.8(d)(1), all information collections require approval under the PRA. An agency may not conduct or sponsor, nor is an individual required to respond to a collection of information unless it displays a currently valid OMB control number.

As part of our continuing effort to reduce paperwork and respondent burdens, we invite the public and other Federal agencies to comment on new, proposed, revised, and continuing collections of information. This helps us assess the impact of our information collection requirements and minimize the public's reporting burden. It also helps the public understand our information collection requirements and provide the requested data in the desired format.

We are especially interested in public comment addressing the following:

(1) Whether or not the collection of information is necessary for the proper performance of the functions of the agency, including whether or not the information will have practical utility;

(2) The accuracy of our estimate of the burden for this collection of

information, including the validity of the methodology and assumptions used;

(3) Ways to enhance the quality, utility, and clarity of the information to be collected; and

(4) How the agency might 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 response.

Comments that you submit in response to this notice are a matter of public record. We will include or summarize each comment in our request to OMB to approve this ICR. Before including your address, phone number, email address, or other personally identifiable information (PII) in your comment, you should be aware that your entire comment—including your PII—may be made publicly available at any time. While you can ask us in your comment to withhold your PII from public review, we cannot guarantee that we will be able to do so.

Abstract: The 3D National Topography Model (3DNTM) is a USGS-led effort to modernize and integrate the nation's elevation and hydrography data through the 3D Elevation Program (3DEP) and the 3D Hydrography Program (3DHP). This effort supports the most advanced scientific and operational needs by delivering high-quality, accessible topographic data. The 3DNTM is built on core components that align with federal mandates, including the National Landslides Preparedness Act, which authorized 3DEP, and the Geospatial Data Act of 2018, which directs federal agencies to (1) collect, maintain, disseminate, and preserve geospatial data such that the resulting data, information, or products can be readily shared with other Federal agencies and non-Federal users; and (2) coordinate and work in partnership with other Federal agencies, agencies of State, tribal, and local governments, institutions of higher education, and the private sector to efficiently and cost-effectively collect, integrate, maintain, disseminate, and preserve geospatial data, building upon existing non-Federal geospatial data to the extent possible. The success of 3DNTM

depends on shared investment from a wide range of stakeholders who benefit from high-resolution topographic data. To support this collaboration, the annual 3DNTM Data Collaboration Announcement (DCA) provides a formal opportunity for partners to work with USGS and other federal agencies to acquire 3DEP lidar or 3DHP hydrography data. Eligible applicants include federal agencies, state and local governments, tribal nations, academic institutions, and private sector organizations. USGS collects information from applicants about their proposed topographic data collection and cost sharing to determine project acceptance.

Title of Collection: Topographic and Hydrography Data Grants.

OMB Control Number: 1028–0092.

Form Number: None.

Type of Review: Extension of a currently approved collection.

Respondents/Affected Public: State and local governments, tribes, academic institutions, and the private sector.

Total Estimated Number of Annual Respondents: 80.

Total Estimated Number of Annual Responses: 80.

Estimated Completion Time per Response: 41 hours.

Total Estimated Number of Annual Burden Hours: 3,280.

Respondent's Obligation: Voluntary.

Frequency of Collection: Annually.

Total Estimated Annual Nonhour Burden Cost: None.

The authority for this action is the PRA of 1995 (44 U.S.C. 3501 *et seq.*).

Rebecca Anderson,

Acting Director, National Geospatial Program.

[FR Doc. 2026–08026 Filed 4–23–26; 8:45 am]

BILLING CODE 4388–11–P

DEPARTMENT OF THE INTERIOR

Bureau of Safety and Environmental Enforcement

[Docket ID BSEE–2025–0299; OMB Control Number 1014–0025; EEEE500000—256E1700D2—ET1SF0000.EAQ000]

Agency Information Collection Activities; Application for Permit To Drill (APD, Revised APD), Supplemental APD Information Sheet, and All Supporting Documentation

AGENCY: Bureau of Safety and Environmental Enforcement, Interior.

ACTION: Notice of information collection; request for comment.

SUMMARY: In accordance with the Paperwork Reduction Act (PRA) of 1995, the Bureau of Safety and

Environmental Enforcement (BSEE) proposes to renew an information collection.

DATES: Interested persons are invited to submit comments on or before June 23, 2026.

ADDRESSES: Send your comments on this information collection request (ICR) by either of the following methods listed below:

- Electronically go to <http://www.regulations.gov>. In the Search box, enter BSEE–2025–0299 then click search. Follow the instructions to submit public comments and view all related materials. We will post all comments.

- Email Kelly.Odom@bsee.gov, or mail or hand-carry comments to the Department of the Interior; Bureau of Safety and Environmental Enforcement; Regulations and Standards Branch; ATTN: Kelly Odom; 45600 Woodland Road, Sterling, VA 20166. Please reference OMB Control Number 1014–0025 in the subject line of your comments.

FOR FURTHER INFORMATION CONTACT: To request additional information about this ICR, contact Kelly Odom by email at Kelly.Odom@bsee.gov or by telephone at (703) 787–1775. Individuals in the United States who are deaf, deafblind, hard of hearing, or have a speech disability may dial 711 (TTY, TDD, or TeleBraille) to access telecommunications relay services. Individuals outside the United States should use the relay services offered within their country to make international calls to the point-of-contact in the United States. You may also view the ICR at <http://www.reginfo.gov/public/do/PRAMain>.

SUPPLEMENTARY INFORMATION: In accordance with the PRA and 5 CFR 1320.8(d)(1), all information collections require approval under the PRA. We may not conduct, or sponsor and you are not required to respond to a collection of information unless it displays a currently valid OMB control number.

As part of our continuing effort to reduce paperwork and respondent burdens, we invite the public and other Federal agencies to comment on new, proposed, revised, and continuing collections of information. This helps us assess the impact of our information collection requirements and minimize the public's reporting burden. It also helps the public understand our information collection requirements and provide the requested data in the desired format.

We are especially interested in public comment addressing the following:

(1) Whether or not the collection of information is necessary for the proper performance of the functions of the agency, including whether or not the information will have practical utility;

(2) The accuracy of our estimate of the burden for this collection of information, including the validity of the methodology and assumptions used;

(3) Ways to enhance the quality, utility, and clarity of the information to be collected; and

(4) How might the agency 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 response.

Comments that you submit in response to this notice are a matter of public record. We will include or summarize each comment in our request to OMB to approve this ICR. Before including your address, phone number, email address, or other personal identifying information in your comment, you should be aware that your entire comment—including your personal identifying information—may be made publicly available at any time. While you can ask us in your comment to withhold your personal identifying information from public review, we cannot guarantee that we will be able to do so.

Abstract: The regulations at 30 CFR part 250 pertain to Applications for Permit to Drill (APDs, Revised APDs), Supplemental APD Information Sheets, and all supporting documentation that is the subject of this collection. This request also covers the related Notices to Lessees and Operators (NTLs) that BSEE issues to clarify, supplement, or provide additional guidance on some aspects of our regulations.

The BSEE uses the information to ensure safe drilling operations and to protect the human, marine, and coastal environment. Among other things, BSEE specifically uses the information to ensure: the drilling unit is fit for the intended purpose; the lessee or operator will not encounter geologic conditions that present a hazard to operations; equipment is maintained in a state of readiness and meets safety standards; each drilling crew is properly trained and able to promptly perform well-control activities at any time during well operations; compliance with safety standards; and the current regulations will provide for safe and proper field or reservoir development, resource evaluation, conservation, protection of correlative rights, safety, and

environmental protection. We also review well records to ascertain whether drilling operations have encountered hydrocarbons or H₂S and to ensure that H₂S detection equipment, personnel protective equipment, and training of the crew are adequate for safe operations in zones known to contain H₂S and zones where the presence of H₂S is unknown.

This ICR includes Forms BSEE-0123 (APD) and BSEE-0123S (Supplemental APD Information Sheet). The BSEE uses the information from these forms to determine the conditions of a drilling site to avoid hazards inherent in drilling operations. Specifically, we use the information to evaluate the adequacy of a lessee's or operator's plan and equipment for drilling, sidetracking, or deepening operations. This includes the adequacy of the proposed casing design, casing setting depths, drilling fluid (mud) programs, cementing programs, and blowout preventer (BOP) systems to ascertain that the proposed operations will be conducted in an operationally safe manner that provides adequate protection for the environment. BSEE also reviews the information to ensure conformance with specific provisions of the lease. In addition, except for proprietary data, BSEE is required by the OCSLA to make available to the public certain information submitted on Forms BSEE-0123 and BSEE-0123S.

The forms are used as described below and the type of information collected consists of the following:

BSEE-0123

Heading: BSEE uses the information described below to identify the type of proposed drilling activity for which approval is requested.

Well at Total Depth/Surface: The information is used to identify the location (area, block, lease, latitude and longitude) of the proposed drilling activity.

Significant Markers Anticipated: This information is used to identify significant geologic formations, structures and/or horizons that the lessee or operator expects to encounter. This information, in conjunction with seismic data, is needed to correlate with other wells drilled in the area to assess the risks and hazards inherent in drilling operations.

Question/Information: This information is used to ascertain the adequacy of the drilling fluids (mud) program to ensure control of the well, the adequacy of the surface casing compliance with EPA offshore pollutant discharge requirements, and the proper shut in of adjacent wells to ensure safety while moving a rig on and off a drilling

location. This information is also used to determine that the worst case discharge scenario information reflects the appropriate well and is updated if applicable. This information is also provided in the course of electronically requesting approval of drilling operations via eWell.

BSEE-0123S

Heading: BSEE uses this information to identify the lease operator, rig name, rig elevation, water depth, type well (exploratory, development), and the presence of H₂S and other data which is needed to assess operational risks and safety.

Well Design Information: This engineering data identifies casing size, pressure rating, setting depth and current volume, hole size, mud weight, BOP and well bore designs, formation and BOP test data, and other criteria. The information is used by BSEE engineers to verify operational safety and ensure well control to prevent blowouts and other hazards to personnel and the environment. This form requests data related to successive sections of the borehole as drilling proceeds toward total depth below each intermediate casing point.

Title of Collection: 30 CFR part 250, Application for Permit to Drill (APD, Revised APD), Supplemental APD Information Sheet, and all supporting documentation.

OMB Control Number: 1014-0025.

Form Number: Forms BSEE-0123 and BSEE-0123S.

Type of Review: Extension of a currently approved collection.

Respondents/Affected Public: Potential respondents include Federal OCS oil, gas, and sulfur lessees and/or operators and holders of pipeline rights-of-way.

Total Estimated Number of Annual Respondents: Currently there are approximately 550 Federal OCS oil, gas, and sulfur lessees and holders of pipeline rights-of-way. Not all the potential respondents will submit information in any given year, and some may submit multiple times.

Total Estimated Number of Annual Responses: 10,402.

Estimated Completion Time per Response: Varies from .5 hour to 125 hours, depending on activity.

Total Estimated Number of Annual Burden Hours: 76,955.

Respondent's Obligation: Most responses are mandatory while others are to obtain and/or retain a benefit.

Frequency of Collection: Submitted on occasion and as required by the regulations.

Total Estimated Annual Nonhour Burden Cost: \$4,298,876.

An agency may not conduct, or sponsor, and a person is not required to respond to a collection of information unless it displays a currently valid OMB control number.

The authority for this action is the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*).

Kirk Malstrom,

Chief, Regulations and Standards Branch.

[FR Doc. 2026-08030 Filed 4-23-26; 8:45 am]

BILLING CODE 4310-VH-P

INTERNATIONAL TRADE COMMISSION

[Investigation Nos. 701-TA-793 and 731-TA-1789 (Preliminary)]

Tris (Hydroxymethyl) Aminomethane and Tris (Hydroxymethyl) Aminomethane Hydrochloride ("Tris and Tris HCl") From China; Institution of Antidumping and Countervailing Duty Investigations and Scheduling of Preliminary Phase Investigations

AGENCY: United States International Trade Commission.

ACTION: Notice.

SUMMARY: The Commission hereby gives notice of the institution of investigations and commencement of preliminary phase antidumping and countervailing duty investigation Nos. 701-TA-793 and 731-TA-1789 (Preliminary) pursuant to the Tariff Act of 1930 to determine whether there is a reasonable indication that an industry in the United States is materially injured or threatened with material injury, or the establishment of an industry in the United States is materially retarded, by reason of imports of Tris(hydroxymethyl)aminomethane and Tris(hydroxymethyl)aminomethane hydrochloride ("Tris and Tris HCl") from China, provided for in subheading 2922.19.96 of the Harmonized Tariff Schedule of the United States, that are alleged to be sold in the United States at less than fair value and alleged to be subsidized by the Government of China. Unless the Department of Commerce ("Commerce") extends the time for initiation, the Commission must reach a preliminary determination in antidumping and countervailing duty investigations in 45 days, or in this case by June 5, 2026. The Commission's views must be transmitted to Commerce within five business days thereafter, or by June 12, 2026.

DATES: April 21, 2026.

FOR FURTHER INFORMATION CONTACT:

Rachel Devenney ((202) 205–3172)
Office of Investigations, U.S.
International Trade Commission, 500 E
Street SW, Washington, DC 20436.
Hearing-impaired persons can obtain
information on this matter by contacting
the Commission's TDD terminal on 202–
205–1810. Persons with mobility
impairments who will need special
assistance in gaining access to the
Commission should contact the Office
of the Secretary at 202–205–2000.
General information concerning the
Commission may also be obtained by
accessing its internet server (<https://www.usitc.gov>). The public record for
these investigations may be viewed on
the Commission's electronic docket
(EDIS) at <https://edis.usitc.gov>.

SUPPLEMENTARY INFORMATION:

Background.—These investigations
are being instituted, pursuant to
sections 703(a) and 733(a) of the Tariff
Act of 1930 (19 U.S.C. 1671b(a) and
1673b(a)), in response to a petition filed
on April 21, 2026, by Advancion
Corporation, Buffalo Grove, Illinois.

For further information concerning
the conduct of these investigations and
rules of general application, consult the
Commission's Rules of Practice and
Procedure, part 201, subparts A and B
(19 CFR part 201), and part 207,
subparts A and B (19 CFR part 207).

**Participation in the investigations and
public service list.**—Persons wishing to
participate in the investigations as
parties must file an entry of appearance
with the Secretary to the Commission,
as provided in §§ 201.11 and 207.10 of
the Commission's rules, not later than
seven days after publication of this
notice in the **Federal Register**.
Industrial users and (if the merchandise
under investigation is sold at the retail
level) representative consumer
organizations have the right to appear as
parties in Commission antidumping
duty and countervailing duty
investigations. The Secretary will
prepare a public service list containing
the names and addresses of all persons,
or their representatives, who are parties
to these investigations upon the
expiration of the period for filing entries
of appearance.

**Limited disclosure of business
proprietary information (BPI) under an
administrative protective order (APO)
and BPI service list.**—Pursuant to
§ 207.7(a) of the Commission's rules, the
Secretary will make BPI gathered in
these investigations available to
authorized applicants representing
interested parties (as defined in 19
U.S.C. 1677(9)) who are parties to the
investigations under the APO issued in

the investigations, provided that the
application is made not later than seven
days after the publication of this notice
in the **Federal Register**. A separate
service list will be maintained by the
Secretary for those parties authorized to
receive BPI under the APO.

Conference.—The Office of
Investigations will hold a staff
conference in connection with the
preliminary phase of these
investigations beginning at 9:30 a.m. on
May 12, 2026. Requests to appear at the
conference should be emailed to
preliminaryconferences@usitc.gov (DO
NOT FILE ON EDIS) on or before noon
on May 8, 2026. Please provide an email
address for each conference participant
in the email. Information on conference
procedures, format, and participation,
including guidance for requests to
appear as a witness via videoconference,
will be available on the Commission's
Public Calendar (Calendar (USITC) |
United States International Trade
Commission). A nonparty who has
testimony that may aid the
Commission's deliberations may request
permission to participate by submitting
a short statement.

Please note the Secretary's Office will
accept only electronic filings during this
time. Filings must be made through the
Commission's Electronic Document
Information System (EDIS, <https://edis.usitc.gov>). No in-person paper-
based filings or paper copies of any
electronic filings will be accepted until
further notice.

Written submissions.—As provided in
§§ 201.8 and 207.15 of the
Commission's rules, any person may
submit to the Commission on or before
5:15 p.m. on May 15, 2026, a written
brief containing information and
arguments pertinent to the subject
matter of the investigations. Parties shall
file written testimony and
supplementary material in connection
with their presentation at the conference
no later than 4:00 p.m. on May 11, 2026.
All written submissions must conform
with the provisions of § 201.8 of the
Commission's rules; any submissions
that contain BPI must also conform with
the requirements of §§ 201.6, 207.3, and
207.7 of the Commission's rules. The
Commission's *Handbook on Filing
Procedures*, available on the
Commission's website at https://www.usitc.gov/documents/handbook_on_filing_procedures.pdf, elaborates
upon the Commission's procedures with
respect to filings.

In accordance with §§ 201.16(c) and
207.3 of the rules, each document filed
by a party to the investigations must be
served on all other parties to the
investigations (as identified by either

the public or BPI service list), and a
certificate of service must be timely
filed. The Secretary will not accept a
document for filing without a certificate
of service.

Certification.—Pursuant to § 207.3 of
the Commission's rules, any person
submitting information to the
Commission in connection with these
investigations must certify that the
information is accurate and complete to
the best of the submitter's knowledge. In
making the certification, the submitter
will acknowledge that any information
that it submits to the Commission
during these investigations may be
disclosed to and used: (i) by the
Commission, its employees and Offices,
and contract personnel (a) for
developing or maintaining the records
of these or related investigations or
reviews, or (b) in internal investigations,
audits, reviews, and evaluations relating
to the programs, personnel, and
operations of the Commission including
under 5 U.S.C. Appendix 3; or (ii) by
U.S. government employees and
contract personnel, solely for
cybersecurity purposes. All contract
personnel will sign appropriate
nondisclosure agreements.

Authority: These investigations are
being conducted under authority of title
VII of the Tariff Act of 1930; this notice
is published pursuant to § 207.12 of the
Commission's rules.

By order of the Commission.

Issued: April 21, 2026.

Susan Orndoff,

Supervisory Attorney.

[FR Doc. 2026–07998 Filed 4–23–26; 8:45 am]

BILLING CODE 7020–02–P

DEPARTMENT OF JUSTICE**Antitrust Division**

**United States et al. v. Constellation
Energy Corporation, Inc. et al.
Response of Plaintiff United States to
Public Comments on the Proposed
Final Judgment**

Notice is hereby given pursuant to the
Antitrust Procedures and Penalties Act,
15 U.S.C. 16(b)–(h), that the Response of
Plaintiff United States to Public
Comment on the Proposed Final
Judgment has been filed with the United
States District Court for the District of
Columbia in *United States of America et
al. v. Constellation Energy Corporation,
Inc. et al.*, Civil Action No. 1:25–cv–
04235.

The United States' Response and the
public comment received are reprinted
below. Copies of the public comment

and the United States' Response are available for inspection on the Antitrust Division's website at <http://www.justice.gov/atr>.

Suzanne Morris,

Deputy Director Civil Enforcement Operations, Antitrust Division.

UNITED STATES DISTRICT COURT FOR THE DISTRICT OF COLUMBIA

United States of America, and State of Texas, Plaintiffs, v. Constellation Energy Corporation, Calpine Corporation, and CPN CS Holdco Corp. Defendants.

Case No. 1:25-cv-04235-ABJ

Response of Plaintiff United States to Public Comment on the Proposed Final Judgment

Pursuant to the Antitrust Procedures and Penalties Act (the "Tunney Act"), 15 U.S.C. 16(b)–(h), the United States submits this response to the one public comment received regarding the proposed Final Judgment in this case. After careful consideration of the only submitted comment, the United States continues to believe that the proposed Final Judgment is in the public interest because it will provide an effective and appropriate remedy for the antitrust violation the Complaint alleged. The proposed Final Judgment remedies the lost competition that the Complaint alleged was otherwise likely to have resulted from the acquisition of Calpine Corporation ("Calpine") by Constellation Energy Corporation ("Constellation") (the "Transaction").

Specifically, the proposed Final Judgment will protect competition by requiring Defendants to divest seven electric generating facilities (the "Divestiture Assets") in two of the nation's major electricity grids—The Electric Reliability Council of Texas ("ERCOT")¹ and PJM Interconnection LLC ("PJM")² to acquirers acceptable to the United States.

After this Response has been published in the **Federal Register**, pursuant to 15 U.S.C. 16(d), the United States will move that the Court enter the proposed Final Judgment.

I. Procedural History

On December 5, 2025, the United States, along with the State of Texas, filed a civil antitrust Complaint seeking to enjoin the Transaction. Dkt. 1. The Complaint alleges that Constellation's acquisition of Calpine threatens to substantially lessen competition in

wholesale electricity markets in ERCOT and PJM Coastal Mid-Atlantic (a distinct area within the PJM region that includes southeastern Pennsylvania, New Jersey, Delaware, and the eastern shores of Maryland and Virginia), in violation of Section 7 of the Clayton Act, 15 U.S.C. 18.

Concurrent with the filing of the Complaint, Plaintiffs filed the proposed Final Judgment, as well as an Asset Preservation and Hold Separate Stipulation and Order ("Stipulation and Order") signed by all parties consenting to entry of the proposed Final Judgment after compliance with the requirements of the Tunney Act. Dkt. 2–1 and 2–2. On December 12, 2025, the United States filed a Competitive Impact Statement describing the proposed Final Judgment. Dkt. 20.

The United States arranged for the publication of the Complaint, the proposed Final Judgment, and the Competitive Impact Statement in the **Federal Register** on December 18, 2025, and caused notice regarding the same, together with directions for the submission of written comments relating to the proposed Final Judgment, to be published in *The Washington Post* and the *Houston Chronicle* from December 20 to December 26, 2025. See Dkt. 22. The single public comment received in response is described below and attached as Exhibit A. The 60-day period for public comment has now ended.

II. Standard of Judicial Review

The Clayton Act, as amended by the Tunney Act, requires that proposed consent judgments in antitrust cases brought by the United States are subject to a 60-day comment period, after which the Court shall determine whether entry of the proposed Final Judgment "is in the public interest." 15 U.S.C. 16(e)(1). In making that determination, the Court, in accordance with the Tunney Act, as amended in 2004, is required to consider:

(A) the competitive impact of such judgment, including termination of alleged violations, provisions for enforcement and modification, duration of relief sought, anticipated effects of alternative remedies actually considered, whether its terms are ambiguous, and any other competitive considerations bearing upon the adequacy of such judgment that the court deems necessary to a determination of whether the consent judgment is in the public interest; and

(B) the impact of entry of such judgment upon competition in the relevant market or markets, upon the public generally and individuals alleging specific injury from the violations set forth in the complaint including consideration of the public benefit,

if any, to be derived from a determination of the issues at trial.

15 U.S.C. 16(e)(1)(A), (B).

In considering these statutory factors, the Court's inquiry is necessarily a limited one, as the government is entitled to "broad discretion to settle with the defendant within the reaches of the public interest." *United States v. Microsoft Corp.*, 56 F.3d 1448, 1461 (D.C. Cir. 1995); *United States v. U.S. Airways Grp., Inc.*, 38 F. Supp. 3d 69, 75 (D.D.C. 2014) (explaining that the "court's inquiry is limited" in Tunney Act settlements); *United States v. InBev N.V./S.A.*, No. 08–1965 (JR), 2009 U.S. Dist. LEXIS 84787, at *3 (D.D.C. Aug. 11, 2009) (noting that a court's review of a proposed Final Judgment is limited and inquires only "into whether the government's determination that the proposed remedies will cure the antitrust violations alleged in the complaint [is] reasonable, and whether the mechanisms to enforce the final judgment are clear and manageable"); *United States v. Charleston Area Med. Ctr., Inc.*, No. 2:16–3664, 2016 U.S. Dist. LEXIS 145963, at *5 (S.D.W. Va. Oct. 21, 2016) ("In evaluating whether the proposed final judgment is in the public interest, the inquiry is 'a narrow one'" (quoting *Massachusetts v. Microsoft Corp.*, 373 F.3d 1199, 1236 (D.C. Cir. 2004))).

As the U.S. Court of Appeals for the District of Columbia Circuit has held, under the Tunney Act, a court considers, among other things, the relationship between the remedy secured and the specific allegations in the government's complaint, whether the proposed Final Judgment is sufficiently clear, whether its enforcement mechanisms are sufficient, and whether it may positively harm third parties. See *Microsoft*, 56 F.3d at 1458–62. With respect to the adequacy of the relief secured by the proposed Final Judgment, a court may not "make de novo determination of facts and issues." *United States v. Western Elec. Co.*, 993 F.2d 1572, 1577 (D.C. Cir. 1993) (quotation marks omitted); see also *Microsoft*, 56 F.3d at 1460–62; *United States v. Alcoa, Inc.*, 152 F. Supp. 2d 37, 40 (D.D.C. 2001); *United States v. Enova Corp.*, 107 F. Supp. 2d 10, 16 (D.D.C. 2000); *InBev*, 2009 U.S. Dist. LEXIS 84787, at *3. Instead, "[t]he balancing of competing social and political interests affected by a proposed antitrust [judgment] must be left, in the first instance, to the discretion of the Attorney General." *Western Elec. Co.*, 993 F.2d at 1577 (quotation marks omitted). "The court should also bear in mind the flexibility of the public

¹ ERCOT encompasses most of Texas.

² PJM includes all or parts of Delaware, Illinois, Indiana, Kentucky, Maryland, Michigan, New Jersey, North Carolina, Ohio, Pennsylvania, Tennessee, Virginia, West Virginia, and the District of Columbia.

interest inquiry: the court's function is not to determine whether the resulting array of rights and liabilities is the one that will best serve society, but only to confirm that the resulting settlement is within the reaches of the public interest." *Microsoft*, 56 F.3d at 1460 (internal quotation marks omitted); see also *United States v. Deutsche Telekom AG*, No. 19–2232 (TJK), 2020 U.S. Dist. LEXIS 65096, at *12 (D.D.C. Apr. 14, 2020). More demanding requirements would "have enormous practical consequences for the government's ability to negotiate future settlements," contrary to congressional intent. *Microsoft*, 56 F.3d at 1456. "The Tunney Act was not intended to create a disincentive to the use of the consent [judgment]." *Id.*

The United States' predictions about the efficacy of the remedy are to be afforded deference by the Court. See, e.g., *Microsoft*, 56 F.3d at 1461 (recognizing courts should give "due respect to the Justice Department's . . . view of the nature of its case"); *United States v. Republic Servs., Inc.*, 723 F. Supp. 2d 157, 160 (D.D.C. 2010) (noting "the deferential review to which the government's proposed remedy is accorded"); *United States v. Archer-Daniels-Midland Co.*, 272 F. Supp. 2d 1, 6 (D.D.C. 2003) ("A district court must accord due respect to the government's prediction as to the effect of proposed remedies, its perception of the market structure, and its view of the nature of the case."). The ultimate question is whether "the remedies [obtained by the Final Judgment are] so inconsonant with the allegations charged as to fall outside of the 'reaches of the public interest.'" *Microsoft*, 56 F.3d at 1461.

Moreover, the Court's role under the Tunney Act is limited to reviewing the remedy in relationship to the violations that the United States has alleged in its Complaint and does not authorize the Court to "construct [its] own hypothetical case and then evaluate the decree against that case." *Microsoft*, 56 F.3d at 1459; see also *U.S. Airways*, 38 F. Supp. 3d at 75 (noting that the court must simply determine whether there is a factual foundation for the government's decisions such that its conclusions regarding the proposed settlements are reasonable); *InBev*, 2009 U.S. Dist. LEXIS 84787, at *20 ("[T]he 'public interest' is not to be measured by comparing the violations alleged in the complaint against those the court believes could have, or even should have, been alleged."). Because the "court's authority to review the decree depends entirely on the government's exercising its prosecutorial discretion by bringing a case in the first place," it

follows that "the court is only authorized to review the decree itself," and not to "effectively redraft the complaint" to inquire into other matters that the United States did not pursue. *Microsoft*, 56 F.3d at 1459–60. Further, "[i]n evaluating objections to settlement agreements under the Tunney Act, a court must be mindful that [t]he government need not prove that the settlements will perfectly remedy the alleged antitrust harms[.]; it need only provide a factual basis for concluding that the settlements are reasonably adequate remedies for the alleged harms." *United States v. Iron Mountain, Inc.*, 217 F. Supp. 3d 146, 152–53 (D.D.C. 2016) (internal citations omitted). The Court's authority is essentially binary: it may approve a proposed final judgment that falls within the "reaches of the public interest," or it may reject one that does not. *Microsoft*, 56 F.3d at 1461–62. "Short of that eventuality, the Tunney Act cannot be interpreted as an authorization for a district judge to assume the role of Attorney General." *Id.* at 1462.³

In its 2004 amendments to the Tunney Act, Congress made clear its intent to preserve the practical benefits of using judgments proposed by the United States in antitrust enforcement and added the unambiguous instruction that "[n]othing in this section shall be construed to require the court to conduct an evidentiary hearing or to require the court to permit anyone to intervene." Public Law 108–237, 221, 118 Stat. 668–69 (codified as amended at 15 U.S.C. 16(e)(2)); see also *U.S. Airways*, 38 F. Supp. 3d at 76 (indicating that a court is not required to hold an evidentiary hearing or to permit intervenors as part of its review under the Tunney Act). This language explicitly wrote into the statute what Congress intended when it first enacted the Tunney Act in 1974. As Senator Tunney explained: "The court is nowhere compelled to go to trial or to engage in extended proceedings which might have the effect of vitiating the benefits of prompt and less costly settlement through the consent [judgment] process." 119 Cong. Rec. 24,598 (1973) (statement of Sen. Tunney). "A court can make its public interest determination based on the competitive impact statement and response to public comments alone." *U.S. Airways*, 38 F. Supp. 3d at 76

³ If the Court concludes that the proposed Final Judgment is not in the public interest, each party must then determine its next steps for the litigation, which may include continuing to litigate the case, attempting to settle the case on different terms, or Plaintiffs' dismissing the case

(citing *Enova Corp.*, 107 F. Supp. 2d at 17).

III. The Complaint and the Proposed Final Judgment

The Complaint alleges that Constellation's proposed acquisition of Calpine was likely to substantially lessen competition for wholesale electricity in ERCOT and PJM Coastal Mid-Atlantic, in violation of 15 U.S.C. 18.

Constellation is a Pennsylvania corporation headquartered in Baltimore, Maryland, and is one of the largest electric generation companies in the nation, as measured by owned and contracted megawatts. Dkt. 7–1 at ¶ 9. Calpine is a Delaware corporation headquartered in Houston, Texas, and is the largest generator of electricity from natural gas and geothermal resources in the United States. *Id.* at ¶ 12.

Constellation's acquisition of Calpine would have eliminated the direct competition between Constellation and Calpine and enhanced Constellation's post-Transaction ability and incentive to withhold electricity to raise wholesale electricity price anticompetitively in those markets. *Id.* at ¶ 36.

The proposed Final Judgment provides an effective and appropriate remedy for the likely competitive harms arising from the Transaction. The proposed Final Judgment has several components, which the parties agreed to abide by during the pendency of the Tunney Act proceeding, and which the Court ordered in entering the Stipulation and Order on January 2, 2026. Dkt. 25.

First, Defendants must divest the Divestiture Assets to acquirers acceptable to the United States in its sole discretion, after consultation with Texas. Dkt. 2–2 at 10–12.

Second, the proposed Final Judgment contains provisions intended to facilitate the acquirers' efforts to hire certain employees. The Defendants must cooperate with and assist any Acquirer(s) in identifying the "Relevant Personnel," who are full-time, part time, or contract employees of the Defendants who are stationed at or assigned to a specific Divestiture Asset and are involved in its operations. *Id.* at 13–14. The Defendants must make such Relevant Personnel available for interview and must not interfere with any effort by an Acquirer to employ any Relevant Personnel. *Id.* at 14–15.

Third, the proposed Final Judgment requires Defendants to warrant that the Divestiture Assets are operational and without material defect on the date of their transfer and to use best efforts to assist an Acquirer to obtain all

necessary licenses, registrations, and permits. *Id.* at 15–16.

The proposed Final Judgment also includes robust mechanisms that will allow the United States and the Court to monitor the effectiveness of the relief and to enforce compliance. For example, the proposed Final Judgment provides that the United States may apply to this Court for the appointment of divestiture trustee if the Defendants have not divested all of the Divestiture Assets within a 240-day period set out in the proposed Final Judgment. *Id.* at 16. Upon appointment, that divestiture trustee will have the sole right to sell the Divestiture Assets to an acquirer or acquirers acceptable to the United States, in its sole discretion, after consultation with Texas. *Id.* at 16–17.

In addition, the proposed Final Judgment provides the United States with the ability to investigate Defendants' compliance with the Final Judgment and expressly retains and reserves all rights for the United States to enforce the provisions of the proposed Final Judgment, including its rights to seek an order of contempt from the Court. *Id.* at 22–25.

Together, these requirements of the proposed Final Judgment will preserve competition for wholesale electricity in the ERCOT and PJM Coastal Mid-Atlantic markets.

IV. Summary of Public Comment and the United States' Response

The United States received a single public comment about the proposed Final Judgment. This comment was submitted by the Pennsylvania Office of Consumer Advocate (the "PA OCA"), an

entity established by the Pennsylvania General Assembly in 1976 to represent Pennsylvania consumers in matters involving their utility service.⁴ In its comment, the PA OCA begins by "appreciat[ing] the Antitrust Division's engagement in addressing competitive concerns" arising from the Transaction and the Division's "commitment to safeguarding competition in electricity markets." Exhibit A at 1. The PA OCA then raises two state-specific Pennsylvania issues. First, the PA OCA notes that the proposed Final Judgment does not address the Transaction's potential effects on the default service supply procurements in the PJM wholesale market that the Pennsylvania local utilities conduct to meet their provider of last resort obligations for retail electricity consumers. *Id.* at 1–2. Second, the PA OCA notes that the proposed Final Judgment does not address the potential impacts of the Transaction on Pennsylvania's retail electricity market. *Id.* at 2. The PA OCA notes that it is considering these issues "and the appropriate state and federal administrative forums" in which these might be addressed. *Id.* The PA OCA concludes by "thank[ing] the Antitrust Division for its important work in this matter." *Id.*

The issues raised by the PA OCA's comment relate to retail electricity markets, not the wholesale electricity markets alleged in the Complaint, and do not suggest that the proposed remedy obtained by the Division is inadequate to resolve the competitive harm the Transaction would create in those

wholesale electricity markets.

Accordingly, because the PA OCA's comment does not relate to whether the proposed Final Judgment reasonably addresses the harms alleged in the Complaint, it falls outside the scope of this Tunney Act proceeding and does not provide a basis for rejecting the proposed Final Judgment. *See U.S. Airways*, 38 F. Supp. 3d at 76 ("[T]he Court's role under the [Tunney Act] is limited to reviewing the remedy in relationship to the violations that the United States has alleged in its Complaint.") (internal citation omitted).

V. Conclusion

After careful consideration of the one public comment received, the United States continues to believe the proposed Final Judgment provides an effective and appropriate remedy for the antitrust violations alleged in the Complaint and is therefore in the public interest. The public comment and this response will be published in the **Federal Register**, as required by 15 U.S.C. 16(d).

After publication of the comment, the United States will move this Court to enter the proposed Final Judgment.

Dated: April 9, 2026
Respectfully Submitted,

Joseph Chandra Mazumdar
Joseph Chandra Mazumdar, Jeremy Evans
(DC Bar #478097), United States
Department of Justice, Antitrust Division,
450 Fifth Street, NW, Suite 8000,
Washington, DC 20530, Tel: (202) 353–
1560, Email: chan.mazumdar@usdoj.gov,
Counsel for Plaintiff United States.

EXHIBIT A

⁴ See www.oca.pa.gov.

COMMONWEALTH OF PENNSYLVANIA



DARRYL A. LAWRENCE
Consumer Advocate

OFFICE OF CONSUMER ADVOCATE
555 Walnut Street, 5th Floor, Forum Place
Harrisburg, Pennsylvania 17101-1923
(717) 783-5048
(800) 684-6560

@pa_oca
 /pennoca
FAX (717) 783-7152
consumer@paoca.org
www.oca.pa.gov

February 12, 2026

Patricia Corcoran, Acting Chief
Transportation, Energy &
Agriculture Section Antitrust
Division, Department of Justice
450 Fifth Street NW, Suite 8000
Washington, D.C. 20530
ATR.Public-Comments-Tunney-Act-MB@usdoj.gov

Re: United States et al. v.
Constellation Energy Corporation et
al.;
Proposed Final Judgment and
Competitive Impact Statement

Dear Acting Chief Corcoran,

The Pennsylvania Office of Consumer Advocate (PA OCA) submits this comment on the Proposed Final Judgment and Competitive Impact Statement (CIS) of *United States et al. v. Constellation Energy Corporation et al.* to thank the Department of Justice's Antitrust Division (Antitrust Division) for its work to promote competition in the wholesale electricity market, including the PJM Coastal Mid-Atlantic market, through the divestiture of certain Constellation Energy Corporation (Constellation) assets. The OCA appreciates the Antitrust Division's engagement in addressing competitive concerns arising from the merger transaction (Transaction) between Constellation and Calpine Corporation (Calpine) and its commitment to safeguarding competition in electricity markets.

While appreciative of the Antitrust Division's work and the proposed settlement (Settlement) divestiture outcome, the PA OCA cannot conclusively state whether the divestiture fully addresses the competitive concerns that the PA OCA raised during proceedings before the Federal Energy Regulatory Commission (FERC) regarding the Transaction.¹ Specifically, the Settlement and CIS do not address the Transaction's potential effects on the default service supply procurements in the PJM wholesale market that the Pennsylvania local utilities conduct to meet their provider of last resort obligations for retail consumers. Constellation and Calpine may be participants in such

¹ Order Conditionally Authorizing Merger and Disposition of Jurisdictional Facilities, *Constellation Energy Corp.*, Docket No. EC25-43-000, 192 FERC ¶ 61,074 (July 23, 2025).

default service procurements in Pennsylvania.² During the FERC proceeding, the PA OCA emphasized the importance of this market and requested an evidentiary hearing to investigate whether the Transaction would lessen competition in Pennsylvania's default service procurements. Remedies focused solely on wholesale generation markets may not address potential competitive harms in the local utility wholesale supply procurements, absent further evidence regarding the competitiveness of the same and the participation of Constellation and Calpine in that market.

Similarly, the Settlement and CIS do not address the potential impacts of the Transaction on Pennsylvania's retail electricity market. Constellation and Calpine are not only wholesale generators but are also retail electricity suppliers in Pennsylvania. Retail electric supply is a distinct, relevant product market from wholesale sales of electricity for purposes of assessing the impact on competition resulting from a merger of generation owners and suppliers. Addressing potential competitive harm in wholesale markets through divestiture may not resolve concerns regarding reduced competition in Pennsylvania's retail electricity markets.

The PA OCA will continue to consider these unresolved issues and the appropriate state and federal administrative forums in which the PA OCA may pursue its concerns to ensure that competition in Pennsylvania's retail electricity market and wholesale supply procurements is adequately protected. Again, the PA OCA thanks the Antitrust Division for its important work in this matter.

Respectfully submitted,

Counsel for:

Darryl Lawrence
Consumer Advocate
Office of Consumer Advocate
5th Floor, Forum Place
555 Walnut Street
Harrisburg, PA 17101-1923
Phone: 717-783-5048
Fax: 717-783-7152

/s/ Olivia M. Spergel

Olivia M. Spergel
Assistant Consumer Advocate
ospergel@paoca.org

Melanie J. El Atieh
Deputy Consumer Advocate
melatieh@paoca.org

Jacob Guthrie
Josiah B. Harmar
Assistant Consumer Advocates
jguthrie@paoca.org
jharmar@paoca.org

Dated: February 12, 2026

[FR Doc. 2026-08095 Filed 4-23-26; 8:45 am]

BILLING CODE 4410-11-P

**NATIONAL CREDIT UNION
ADMINISTRATION**

**Request for Information Regarding
Enhancing and Streamlining Data
Collection From Credit Unions**

AGENCY: National Credit Union
Administration.

ACTION: Notice; request for information.

SUMMARY: The National Credit Union
Administration (NCUA) is issuing this

request for information (RFI) on
opportunities to enhance and streamline
NCUA's data collections. Specifically,
this RFI covers data collected through
the 5300 Call Report (Call Report), 5310

² The names of, and prices bid by, the
participants in the competitive supply auctions for
default service in Pennsylvania are confidential, so
the OCA, at this time, does not know whether
Constellation and Calpine are participants in the
Pennsylvania EDC wholesale supply procurement
auctions market.

Corporate Credit Union Call Report (Corporate Call Report), and Form 4501A Profile (Profile). Through this RFI, the NCUA is soliciting feedback on the key challenges faced by federally insured credit unions (FICUs) as they use these reports and related systems, and any suggestions for improvement. NCUA intends to issue additional RFIs in the future to solicit stakeholder input on other NCUA data collections and systems.

DATES: Comments must be received by June 23, 2026.

ADDRESSES: Comments may be submitted in one of the following ways. (Please send comments by one method only):

- **Federal eRulemaking Portal:** <https://www.regulations.gov>. The docket number for this request for information is NCUA–2026–0925. Follow the “Submit a comment” instructions. If you are reading this document on [federalregister.gov](https://www.federalregister.gov), you may use the green “SUBMIT A PUBLIC COMMENT” button beneath this document’s title to submit a comment to the [regulations.gov](https://www.regulations.gov) docket.

- **Mail:** Address to Melane Conyers-Ausbrooks, Secretary of the Board, National Credit Union Administration, 1775 Duke Street, Alexandria, Virginia 22314–3428.

- **Hand Delivery/Courier:** Same as mailing address.

Mailed and hand-delivered comments must be received by the close of the comment period.

Public inspection: Please follow the search instructions on <https://www.regulations.gov> to view the public comments. Do not include any personally identifiable information (such as name, address, or other contact information) or confidential business information that you do not want publicly disclosed. All comments are public records; they are publicly displayed exactly as received, and will not be deleted, modified, or redacted. Comments may be submitted anonymously. If you are unable to access public comments on the internet, you may contact the NCUA for alternative access by calling (703) 518–6360 or emailing CallReportMod@ncua.gov.

FOR FURTHER INFORMATION CONTACT: Clayton Curry, Office of Examination and Insurance, at (703) 518–6360.

SUPPLEMENTARY INFORMATION: In accordance with the Federal Credit Union Act and NCUA’s regulations,¹ NCUA uses the Call Report, Corporate

Call Report, and Profile to collect financial and non-financial information from FICUs. The reported data enables the agency to assess risk and monitor regulatory compliance at the institution and industry levels, which is central to achieving the NCUA’s mission and safeguarding the National Credit Union Share Insurance Fund (Share Insurance Fund). The NCUA regularly evolves data-collection reports to reflect current industry practices, align with statutory and regulatory changes, and support examination and supervision procedures. This regular review is intended to ensure the agency captures material FICU risk exposures, removes data for obsolete areas or areas of low information value, and tailors the reporting burden on supervised institutions to size and complexity.

The NCUA and credit unions are best served by a good balance between the collection of data to support the effective regulation and supervision of FICUs with the associated burden on credit unions.

This balance is best achieved through open dialogue and direct feedback from credit unions and other stakeholders. The NCUA is seeking to hear from interested parties, including, but not limited to, credit unions, leagues, trades, other regulators, industry-related professionals, and academics.

The NCUA will use the information furnished by individuals and organizations to enhance the data collection process and reduce burden where possible without compromising the agency’s ability to achieve its mission.

Request for Comment

The NCUA is providing questions about major aspects of the subject data collections to target issues that have the most impact. These questions are not intended to limit discussion, and respondents may explore any issue relevant to the subject data collections. Information received will not be used for statistical purposes.

Responses containing references to studies, research, or data not widely available to the public should include copies of the referenced materials. A description of the commenter’s organization and its interest in NCUA’s data collection will help the agency use the input provided but it is optional.

1. What specific areas of the Call Report, Corporate Call Report, and Profile forms do you find challenging to complete? Please describe the nature of those challenges.

2. For credit unions that use manual processes to gather and input into the NCUA’s electronic Call Report,

Corporate Call Report, and Profile systems, is there software available, from core system vendor(s) or elsewhere, to increase automation and efficiency? If so, what are the hurdles, if any, to utilizing such software?

3. What additional sections/schedules/items on the Call Report, Corporate Call Report, and Profile could be made optional for small or non-complex credit unions?

4. What specific items would you like to see added to the Call Report, Corporate Call Report, and Profile to enhance analysis of local, regional, and national performance trends, improve comparisons of individual credit unions with peer institutions, or increase transparency for members and the public about credit unions?

5. Are there items or data that could be collected through the Call Report, Corporate Call Report, and Profile that would enhance NCUA’s offsite analysis to identify risk and monitor regulatory compliance that may reduce burden during examinations?

6. Are there any items on the Call Report, Corporate Call Report, and Profile that could be removed from collection?

7. Can the Call Report, Corporate Call Report, and Profile instructions be improved? If so, what improvements (overall and specific to individual items/schedules) would improve clarity and reduce the reporting burden?

8. Are the burden estimates for the Call Report, Corporate Call Report, and Profile accurate? If not, what changes would you suggest to the burden estimate?

9. Do you have any concerns or suggestions about the Call Report, Corporate Call Report, and Profile systems or forms for collecting financial and non-financial information that are not addressed in the questions above?

10. What specific information collected on the Call Report, Corporate Call Report, and Profile could be collected more efficiently? For example, by obtaining reports or data directly from other sources.

Authority: 12 U.S.C. 1782(a), 1756, 1784(a), 1789(a)(8); 12 CFR 741.1, 741.6.

By the National Credit Union Administration Board, this 21 day of April, 2026.

Melane Conyers-Ausbrooks,
Secretary of the Board.

[FR Doc. 2026–08023 Filed 4–23–26; 8:45 am]

BILLING CODE 7535–01–P

¹ 12 U.S.C. 1782(a), 1756, 1784(a), 1789(a)(8); 12 CFR 741.4, 741.6.

NUCLEAR REGULATORY COMMISSION

[NRC–2025–0050]

Information Collection: NRC Form 748, National Source Tracking System Report

AGENCY: Nuclear Regulatory Commission.

ACTION: Notice of submission to the Office of Management and Budget; request for comment.

SUMMARY: The U.S. Nuclear Regulatory Commission (NRC) has recently submitted a request for renewal of an existing collection of information to the Office of Management and Budget (OMB) for review. The information collection is entitled, NRC Form 748, “National Source Tracking System Report.”

DATES: Submit comments by May 26, 2026. Comments received after this date will be considered if it is practical to do so, but the Commission is able to ensure consideration only for comments received on or before this date.

ADDRESSES: Written comments and recommendations for the proposed information collection should be sent within 30 days of publication of this notice to <https://www.reginfo.gov/public/do/PRAMain>. Find this particular information collection by selecting “Currently under Review—Open for Public Comments” or by using the search function.

FOR FURTHER INFORMATION CONTACT: Heather Dempsey, Office of the Chief Information Officer, U.S. Nuclear Regulatory Commission, Washington, DC 20555–0001; telephone: 301415–0856; email: Infocollects.Resource@nrc.gov.

SUPPLEMENTARY INFORMATION:

I. Obtaining Information and Submitting Comments

A. Obtaining Information

Please refer to Docket ID NRC–2025–0050 when contacting the NRC about the availability of information for this action. You may obtain publicly available information related to this action by any of the following methods:

- *Federal Rulemaking Website:* Go to <https://www.regulations.gov> and search for Docket ID NRC–2025–0050.

- *NRC’s Agencywide Documents Access and Management System (ADAMS):* You may obtain publicly available documents online in the ADAMS Public Documents collection at <https://www.nrc.gov/reading-rm/adams.html>. To begin the search, select

“Begin ADAMS Public Search.” For problems with ADAMS, please contact the NRC’s Public Document Room (PDR) reference staff at 1–800–397–4209, at 301–415–4737, or by email to PDR.Resource@nrc.gov. A copy of the form 748 and related instructions may be obtained without charge by accessing ADAMS Accession No. ML26054A253. The supporting statement is available in ADAMS under Accession No. ML26054A252.

- *NRC’s PDR:* The PDR, where you may examine and order copies of publicly available documents, is open by appointment. To make an appointment to visit the PDR, please send an email to PDR.Resource@nrc.gov or call 1–800–397–4209 or 301–415–4737, between 8 a.m. and 4 p.m. eastern time (ET), Monday through Friday, except Federal holidays.

- *NRC’s Clearance Officer:* A copy of the collection of information and related instructions may be obtained without charge by contacting the NRC’s Acting Clearance Officer, Heather Dempsey, Office of the Chief Information Officer, U.S. Nuclear Regulatory Commission, Washington, DC 20555–0001; telephone: 301–415–0856; email: Infocollects.Resource@nrc.gov.

B. Submitting Comments

Written comments and recommendations for the proposed information collection should be sent within 30 days of publication of this notice to <https://www.reginfo.gov/public/do/PRAMain>. Find this particular information collection by selecting “Currently under Review—Open for Public Comments” or by using the search function.

The NRC cautions you not to include identifying or contact information in comment submissions that you do not want to be publicly disclosed in your comment submission. All comment submissions are posted at <https://www.regulations.gov> and entered into ADAMS. Comment submissions are not routinely edited to remove identifying or contact information.

If you are requesting or aggregating comments from other persons for submission to the OMB, then you should inform those persons not to include identifying or contact information that they do not want to be publicly disclosed in their comment submission. Your request should state that comment submissions are not routinely edited to remove such information before making the comment submissions available to the public or entering the comment into ADAMS.

II. Background

Under the provisions of the Paperwork Reduction Act of 1995 (44 U.S.C. Chapter 35), the NRC recently submitted a request for renewal of an existing collection of information to OMB for review entitled, NRC Form 748, “National Source Tracking System Report.” The NRC hereby informs potential respondents that an agency may not conduct or sponsor, and that a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number.

The NRC published a **Federal Register** notice with a 60-day comment period on this information collection on December 11, 2025, 90 FR 57490.

1. *The title of the information collection:* NRC Form 748, “National Source Tracking System Report.”

2. *OMB approval number:* 3150–0202.

3. *Type of submission:* Extension.

4. *The form number, if applicable:* NRC Form 748.

5. *How often the collection is required or requested:* On occasion (at completion of a transaction, and at inventory reconciliation).

6. *Who will be required or asked to respond:* Licensees that manufacture, receive, transfer, disassemble, or dispose of nationally tracked sources.

7. *The estimated number of annual responses:* 17,825.

8. *The estimated number of annual respondents:* 977.

9. *The estimated number of hours needed annually to comply with the information collection requirement or request:* 2,181.

10. *Abstract:* The NRC’s National Source Tracking System (NSTS) is a secure, centralized database used to track the life cycle of certain high-risk sealed radioactive sources. Licensees are required to report key transactions involving these nationally tracked sources, including manufacture, transfer, receipt, disassembly, and disposal. These reporting requirements, first established in 2006 and fully implemented in subsequent years, support a comprehensive radioactive source control program for radioactive materials of greatest concern. Information collected through the NSTS is mandatory and plays a critical role in enhancing the NRC’s and Agreement States’ ability to track sources from manufacture through final disposition. The NSTS strengthens regulatory oversight by supporting inspections and investigations, enabling timely communication with other government agencies, and verifying the legitimate ownership and use of these sources.

Authority: 42 U.S.C. 2011 *et seq.*

Dated: April 21, 2026.

For the Nuclear Regulatory Commission.

Heather Dempsey,

Acting NRC Clearance Officer, Office of the Chief Information Officer.

[FR Doc. 2026-08000 Filed 4-23-26; 8:45 am]

BILLING CODE 7590-01-P

NUCLEAR REGULATORY COMMISSION

[Docket No. 50-302; NRC-2026-1819]

Accelerated Decommissioning Partners Crystal River Unit 3, LLC; Crystal River Unit 3 Nuclear Generating Plant; License Termination Plan

AGENCY: Nuclear Regulatory Commission.

ACTION: Public meeting; request for comment.

SUMMARY: On October 15, 2025, as supplemented December 11, 2025, and February 25, 2026, the U.S. Nuclear Regulatory Commission (NRC) received from Accelerated Decommissioning Partners Crystal River Unit 3, LLC (ADP CR3, licensee) a license amendment request to approve the License Termination Plan (LTP) for the Crystal River Unit 3 Nuclear Generating Plant (CR3) and to add a license condition that establishes the criteria for determining when changes to the LTP require prior NRC approval. The LTP provides details about the known radiological information for the site, the planned demolition and decommissioning tasks to be completed, and the final radiological surveys and data that must be obtained for termination of the NRC's license for CR3. The NRC is requesting public comments on CR3's LTP and will hold a public meeting to discuss the LTP.

DATES: Submit comments by June 23, 2026. Comments received after this date will be considered if it is practical to do so, but the Commission is able to ensure consideration only for comments received before this date. A public meeting will be held on May 12, 2026. See Section IV. Public Meeting, of this document for more information.

ADDRESSES: You may submit comments by any of the following methods; however, the NRC encourages electronic comment submission through the Federal rulemaking website:

- *Federal rulemaking website:* Go to <https://www.regulations.gov> and search for: Docket ID NRC-2026-1819. Address questions about Docket IDs in *Regulations.gov* to Bridget Curran;

telephone: 301-415-1003; email: Bridget.Curran@nrc.gov. For technical questions, contact the individual listed in the **FOR FURTHER INFORMATION CONTACT** section of this document.

- *Mail comments to:* Office of Administration, Mail Stop: TWFN-5-A85, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001, ATTN: Program Management, Announcements and Editing Staff.

For additional direction on obtaining information and submitting comments, see "Obtaining Information and Submitting Comments" in the **SUPPLEMENTARY INFORMATION** section of this document.

FOR FURTHER INFORMATION CONTACT: Chris Allen, Office of Nuclear Material Safety and Safeguards, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001; telephone: 301-415-6877; email: William.Allen@nrc.gov.

SUPPLEMENTARY INFORMATION:

I. Obtaining Information and Submitting Comments

A. Obtaining Information

Please refer to Docket ID NRC-2026-1819 when contacting the NRC about the availability of information for this action. You may obtain publicly available information related to this action by any of the following methods:

- *Federal Rulemaking Website:* Go to <https://www.regulations.gov> and search for Docket ID NRC-2026-1819.
- *NRC's Agencywide Documents Access and Management System (ADAMS):* You may obtain publicly available documents online in the ADAMS Public Documents collection at <https://www.nrc.gov/reading-rm/adams.html>. To begin the search, select "Begin ADAMS Public Search." For problems with ADAMS, please contact the NRC's Public Document Room (PDR) reference staff at 1-800-397-4209, at 301-415-4737, or by email to PDR.Resource@nrc.gov. For the convenience of the reader, instructions about obtaining materials referenced in this document are provided in the "Availability of Documents" section.

- *NRC's PDR:* The PDR, where you may examine and order copies of publicly available documents, is open by appointment. To make an appointment to visit the PDR, please send an email to PDR.Resource@nrc.gov or call 1-800-397-4209 or 301-415-4737, between 8 a.m. and 4 p.m. eastern time (ET), Monday through Friday, except Federal holidays.

B. Submitting Comments

The NRC encourages electronic comment submission through the

Federal rulemaking website (<https://www.regulations.gov>). Please include Docket ID NRC-2026-1819 in your comment submission. The NRC cautions you not to include identifying or contact information that you do not want to be publicly disclosed in your comment submission. The NRC will post all comment submissions at <https://www.regulations.gov> as well as enter the comment submissions into ADAMS. The NRC does not routinely edit comment submissions to remove identifying or contact information.

If you are requesting or aggregating comments from other persons for submission to the NRC, then you should inform those persons not to include identifying or contact information that they do not want to be publicly disclosed in their comment submission. Your request should state that the NRC does not routinely edit comment submissions to remove such information before making the comment submissions available to the public or entering the comment into ADAMS.

II. Background

Accelerated Decommissioning Partners Crystal River Unit 3, LLC (ADP CR3, licensee) is currently the licensed operator responsible for decommissioning of Crystal River Unit 3 Nuclear Generating Plant (CR3). Prior to ADP CR3, Duke Energy Florida (DEF) held the licensed authority for CR3. The Facility Operating License No. DPR-72, provides, among other things, that the facility is subject to all rules, regulations, and orders of the NRC now or hereafter in effect. The facility is located in Citrus County, Florida.

By letter dated February 20, 2013, pursuant to paragraphs 50.82(a)(1)(i)-(ii) of title 10 of the *Code of Federal Regulations* (10 CFR), DEF formally notified the NRC that it had determined to permanently cease power operations at CR3 and that it had permanently removed fuel from the reactor vessel. In this letter, DEF explained that CR3 had been safely shutdown since September 26, 2009, and that all fuel had been permanently removed from the CR3 reactor vessel as of May 28, 2011, and had been placed in the CR3 spent fuel pool for temporary storage.

DEF described its proposed decommissioning activities and schedule in its Post-Shutdown Decommissioning Activities Report (PSDAR) submitted on December 2, 2013. At that time, DEF decided to place the facility in long-term storage (*i.e.*, the SAFSTOR decommissioning option). SAFSTOR is a decommissioning method in which a nuclear facility is placed and maintained in a condition

that allows the facility to be safely stored and subsequently decontaminated to levels that permit release for unrestricted use.

By letter dated June 14, 2019, as supplemented by letters dated January 17, 2020, and March 5, 2020, DEF and ADP CR3 requested that the NRC consent to the proposed direct transfer of licensed authority under CR3 Facility Operating License No. DPR-72 and the general license for the CR3 Independent Spent Fuel Storage Installation (ISFSI) from DEF to ADP CR3. ADP CR3 is a joint venture between NorthStar Group Services and Orano USA. By letter dated June 26, 2019, ADP CR3 submitted a revised PSDAR contingent upon NRC approval of the direct transfer of the licensed authority to ADP CR3. The revised PSDAR changed the decommissioning approach for CR3 from SAFSTOR to the immediate implementation of the DECON decommissioning option. DECON is a method of decommissioning in which structures, systems, and components that contain radioactive contamination are actively removed from the site and safely disposed of at a commercially operated low-level waste disposal facility or decontaminated to a level that permits the site to be released for unrestricted use as soon as possible after

removal of the spent fuel from the spent fuel pool.

By Order dated April 1, 2020, the NRC provided its consent to the direct transfer of licensed authority. On October 1, 2020, DEF transferred the licensed authority to ADP CR3 pursuant to the terms of the transfer agreement between DEF and ADP CR3, as proposed in the June 14, 2019, letter. Per the agreement, DEF remained the NRC-licensed owner of the plant, property, and decommissioning trust fund while ADP CR3 became the NRC-licensed operator responsible for decommissioning and maintaining the ISFSI under a service agreement with ADP SF1. ADP SF1 became the owner of the spent nuclear fuel, high-level waste, and Greater-Than-Class C waste stored in the ISFSI.

On October 15, 2025, as supplemented December 11, 2025, and February 25, 2026, ADP CR3 submitted its LTP to the NRC. Paragraph 50.82(a)(9), "Termination of license," specifies that an application for license termination must be accompanied or preceded by a LTP which is subject to NRC review and approval. The LTP addresses site characterization to ensure that the scope of final status surveys (FSS) of the site cover all areas where contamination existed, remains, or has the potential to exist or remain,

identification of remaining dismantlement activities, plans for site remediation, a description of the FSS plans to confirm that CR3 will meet the release criteria in 10 CFR part 20, subpart E, "Radiological Criteria for License Termination," dose-modeling scenarios that ensure compliance with the radiological criteria for license termination, an estimate of the remaining site-specific decommissioning costs and an updated assessment of the environmental effects of decommissioning CR3. Once approved, the LTP would become a supplement to the CR3 Defueled Safety Analysis Report.

According to 10 CFR 50.82(a)(9)(iii), after the licensee submits an LTP the NRC must hold a public meeting near the site. The purpose of the meeting is for the NRC staff to discuss the NRC's review of the LTP and to request public comments on the LTP. In addition, in accordance with 10 CFR 50.82(a)(9)(iii) and 20.1405, upon the receipt of an LTP from a licensee, NRC must publish a notice in the **Federal Register** and solicit comments from affected parties.

III. Availability of Documents

The documents identified in the following table are available to interested persons through one or more of the following methods, as indicated.

Document description	ADAMS accession No.
DEF notification of its intent to permanently cease operations at Crystal River Unit 3, dated February 20, 2013	ML13056A005.
DEF submittal of PSDAR for Crystal River Unit 3, dated December 2, 2013	ML13340A009.
Submittal of updated PSDAR for Crystal River Unit 3 to reflect the change from SAFSTOR to DECON, dated June 26, 2019.	ML19177A080.
DEF and ADP CR3 proposed direct transfer of CR3 Facility Operating License No. DPR-72 from DEF to ADP CR3 dated June 14, 2019, and supplemented on January 17, 2020, and March 5, 2020.	ML19170A209 (Package). ML20017A216. ML20065K737.
NRC Order providing consent to the direct license direct transfer of CR3 Facility Operating License No. DPR-72 from DEF to ADP CR3, dated April 1, 2020.	ML20069A028 (Package).
ADP CR3 LTP submittal to the NRC, dated October 15, 2025	ML25288A001 (Package).
ADP CR3 LTP submittal update, dated December 11, 2025	ML25345A212 (Package).
ADP CR3 LTP supplement submittal, dated February 25, 2026	ML26056A059.

The NRC may post materials related to this document, including public comments, on the Federal rulemaking website at <https://www.regulations.gov> under Docket ID NRC-2026-1819. In addition, the Federal rulemaking website allows members of the public to receive alerts when changes or additions occur in a docket folder. To subscribe: (1) navigate to the docket folder (NRC-2026-1819); (2) click the "Subscribe" link; and (3) enter an email address and click on the "Subscribe" link.

IV. Request for Comment and Public Meeting

The NRC will conduct a public meeting to answer questions and gather comments regarding ADP's request for approval of the LTP. The meeting will be held on Tuesday, May 12, 2026, from 5:30 p.m. until 6:30 p.m. ET, at the Citrus County Chamber of Commerce, located at 915 N Suncoast Blvd., Crystal River, FL 34429.

This is a Category 3 public meeting where stakeholders are invited to fully engage NRC staff to provide a range of views, information, concerns and suggestions with regard to ADP's request for approval of the LTP. After

the presentation portion of the meeting, the public is allowed to speak and ask questions. Comments can be provided orally or in writing to the NRC staff present at the meeting. The NRC will consider and, if appropriate, respond to these written and verbal comments, but such comments will not otherwise constitute part of the decisional record.

Please contact Chris Allen no later than May 5, 2026, by phone at 301-415-6877 or by email at William.Allen@nrc.gov, if accommodations or special equipment are needed for you to attend or to provide comments, so that the NRC staff can determine whether the request can be accommodated.

Stakeholders interested in attending this meeting should monitor the NRC's Public Meeting Schedule website at <https://www.nrc.gov/public-involve/public-meetings/index.cfm> for additional information, meeting agenda, and access information for the public meeting.

Authority: 42 U.S.C. 2011 *et seq.*

For the Nuclear Regulatory Commission.

Dated: April 22, 2026.

Michelle Sutherland,

Acting Chief, Reactor Decommissioning Branch, Division of Decommissioning, Uranium Recovery and Waste Programs, Office of Nuclear Material Safety and Safeguards.

[FR Doc. 2026-08008 Filed 4-23-26; 8:45 am]

BILLING CODE 7590-01-P

NUCLEAR REGULATORY COMMISSION

[NRC-2025-0042]

Information Collection: Safeguards on Nuclear Material, Implementation of US/IAEA Agreement

AGENCY: Nuclear Regulatory Commission.

ACTION: Notice of submission to the Office of Management and Budget; request for comment.

SUMMARY: The U.S. Nuclear Regulatory Commission (NRC) has recently submitted a request for renewal of an existing collection of information to the Office of Management and Budget (OMB) for review. The information collection is entitled, "Safeguards on Nuclear Material, Implementation of US/IAEA Agreement."

DATES: Submit comments by May 26, 2026. Comments received after this date will be considered if it is practical to do so, but the Commission is able to ensure consideration only for comments received on or before this date.

ADDRESSES: Written comments and recommendations for the proposed information collection should be sent within 30 days of publication of this notice to <https://www.reginfo.gov/public/do/PRAMain>. Find this particular information collection by selecting "Currently under Review—Open for Public Comments" or by using the search function.

FOR FURTHER INFORMATION CONTACT: Heather Dempsey, Office of the Chief Information Officer, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001; telephone: 301-415-0856; email: Infocollects.Resource@nrc.gov.

SUPPLEMENTARY INFORMATION:

I. Obtaining Information and Submitting Comments

A. Obtaining Information

Please refer to Docket ID NRC-2025-0042 when contacting the NRC about the availability of information for this action. You may obtain publicly available information related to this action by any of the following methods:

- **Federal Rulemaking Website:** Go to <https://www.regulations.gov> and search for Docket ID NRC-2025-0042.
- **NRC's Agencywide Documents Access and Management System (ADAMS):** You may obtain publicly available documents online in the ADAMS Public Documents collection at <https://www.nrc.gov/reading-rm/adams.html>. To begin the search, select "Begin ADAMS Public Search." For problems with ADAMS, please contact the NRC's Public Document Room (PDR) reference staff at 1-800-397-4209, at 301-415-4737, or by email to PDR.Resource@nrc.gov. The supporting statement is available in ADAMS under Accession No. ML26050A039.

- **NRC's PDR:** The PDR, where you may examine and order copies of publicly available documents, is open by appointment. To make an appointment to visit the PDR, please send an email to PDR.Resource@nrc.gov or call 1-800-397-4209 or 301-415-4737, between 8 a.m. and 4 p.m. eastern time (ET), Monday through Friday, except Federal holidays.

- **NRC's Clearance Officer:** A copy of the collection of information and related instructions may be obtained without charge by contacting the Acting NRC Clearance Officer, Heather Dempsey, Office of the Chief Information Officer, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001; telephone: 301-415-0856; email: Infocollects.Resource@nrc.gov.

B. Submitting Comments

Written comments and recommendations for the proposed information collection should be sent within 30 days of publication of this notice to <https://www.reginfo.gov/public/do/PRAMain>. Find this particular information collection by selecting "Currently under Review—Open for Public Comments" or by using the search function.

The NRC cautions you not to include identifying or contact information in comment submissions that you do not want to be publicly disclosed in your comment submission. All comment submissions are posted at <https://www.regulations.gov> and entered into ADAMS. Comment submissions are not

routinely edited to remove identifying or contact information.

If you are requesting or aggregating comments from other persons for submission to the OMB, then you should inform those persons not to include identifying or contact information that they do not want to be publicly disclosed in their comment submission. Your request should state that comment submissions are not routinely edited to remove such information before making the comment submissions available to the public or entering the comment into ADAMS.

II. Background

Under the provisions of the Paperwork Reduction Act of 1995 (44 U.S.C. Chapter 35), the NRC recently submitted a request for renewal of an existing collection of information to OMB for review entitled, "Safeguards on Nuclear Material, Implementation of US/IAEA Agreement." The NRC hereby informs potential respondents that an agency may not conduct or sponsor, and that a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number.

The NRC published a **Federal Register** notice with a 60-day comment period on this information collection on December 12, 2025, 90 FR 57791.

1. *The title of the information collection:* Safeguards on Nuclear Material, Implementation of US/IAEA Agreement.

2. *OMB approval number:* 3150-0055.

3. *Type of submission:* Extension.

4. *The form number, if applicable:* Not applicable.

5. *How often the collection is required or requested:* Selected licensees are required to provide reports of nuclear material inventory and flow for selected facilities under the US/IAEA Safeguards Agreement, permit inspections by International Atomic Energy Agency Agreement (IAEA) inspectors, complementary access of IAEA inspectors under the Additional Protocol, give immediate notice to the NRC in specified situations involving the possibility of loss of nuclear material, and give notice for imports and exports of specified amounts of nuclear material. Reporting is done when specified events occur. Recordkeeping for nuclear material accounting and control information is done in accordance with specific instructions.

6. *Who will be required or asked to respond:* Licensees required to report information required by the U.S. Additional Protocol. Licensed holders of nuclear material located outside of

facilities in the U.S. Caribbean Territories.

7. *The estimated number of annual responses:* 23 (12 reporting responses plus 11 recordkeepers).

8. *The estimated number of annual respondents:* 11.

9. *The estimated number of hours needed annually to comply with the information collection requirement or request:* 4,026.

10. *Abstract:* Part 75 of title 10 of the *Code of Federal Regulations*, “Safeguards on Nuclear Material—Implementation of Safeguards Agreements Between the United States and the International Atomic Energy Agency,” requires selected licensees to provide reports of nuclear material inventory and flow for selected facilities under the US/IAEA Safeguards Agreement, permit inspections by IAEA inspectors, complementary access of IAEA inspectors under the Additional Protocol, give immediate notice to the NRC in specified situations involving the possibility of loss of nuclear material, and give notice for imports and exports of specified amounts of nuclear material. In addition, this collection is being renewed to include approximately six entities subject to the U.S.-IAEA Caribbean Territories Safeguards Agreement (INFCIRC/366). These licensees will provide reports of nuclear material inventory and flow for entities under the U.S.-IAEA Caribbean Territories Safeguards Agreement (INFCIRC/366), permit inspections by IAEA inspectors, give immediate notice to the NRC in specified situations involving the possibility of loss of nuclear material, and give notice for imports and exports of specified amounts of nuclear material. These licensees will also follow written material accounting and control procedures, although actual reporting of transfer and material balance records to the IAEA will be done through the U.S. State system (Nuclear Materials Management and Safeguards System, collected under OMB clearance numbers 3150–0003, 3150–0004, 3150–0057, and 3150–0058). The NRC needs this information to implement its responsibilities under the US/IAEA agreement.

(Authority: 42 U.S.C. 2011 *et seq.*)

Dated: April 21, 2026.

For the Nuclear Regulatory Commission.

Heather Dempsey,

Acting NRC Clearance Officer, Office of the Chief Information Officer.

[FR Doc. 2026–08002 Filed 4–23–26; 8:45 am]

BILLING CODE 7590–01–P

PUBLIC BUILDINGS REFORM BOARD

Notice of Public Meeting by the Public Buildings Reform Board

AGENCY: Public Buildings Reform Board.

ACTION: Notice of public meeting.

SUMMARY: As provided by the Federal Assets Sale and Transfer Act of 2016 (FASTA), the Public Buildings Reform Board (PBRB) is holding its thirteenth public meeting. At this meeting, the Board will discuss the progress of past rounds and well as plans for a future round.

DATES: The meeting is scheduled for Thursday, June 25, 2026 at 11:00 a.m. EDT.

ADDRESSES: The meeting will be held at the Arena Stage at the Mead Center for American Theater, 1101 6th Street SW, Washington, DC 20024.

FOR FURTHER INFORMATION CONTACT: Paul Walden, PBRB, at (202) 716–8165, or questions and comments can be forwarded to the PBRB team at fastainfo@pbrb.gov.

SUPPLEMENTARY INFORMATION: Background: FASTA created the PBRB as an independent Board to identify opportunities for the Federal government to significantly reduce its inventory of civilian real property and thereby reduce costs. The Board, to date, has submitted three rounds of recommendations. The Thomas R. Carper Water Resources Development Act of 2024 (WRDA) extended the Board to December 31, 2026 and allows for the submission of one additional round of recommendations (Round 3).

Format and Registration: The format for the meeting will be panel discussions with appropriate time allowed for a Q&A segment. Participants may also view the meeting virtually. Interested participants must register for the public meeting via this link: <https://PBRBHearing13.eventbrite.com>.

Individuals wishing to attend who require special assistance or accommodations must contact the PBRB Team at fastainfo@pbrb.gov at least 12 days prior to the event.

Portions of the meeting may be held in executive session if the Board is considering issues involving classified or proprietary information.

A transcript of the public meeting will be uploaded to pbrb.gov shortly after the session.

If you have any additional questions, please email fastainfo@pbrb.gov.

(Authority: Pub. L. 114–287, 130 Stat 1463.)

Paul Walden,

Executive Director, Federal Register Liaison, Public Buildings Reform Board.

[FR Doc. 2026–08096 Filed 4–23–26; 8:45 am]

BILLING CODE: P

POSTAL REGULATORY COMMISSION

[Docket Nos. K2025–1324; MC2026–217 and K2026–215]

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 a negotiated service agreement. This notice informs the public of the filing, invites public comment, and takes other administrative steps.

DATES: *Comments are due:* April 29, 2026.

ADDRESSES: Submit comments electronically via the Commission’s Filing Online system at <https://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
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I. Introduction

Pursuant to 39 CFR 3041.405, the Commission gives notice that the Postal Service filed request(s) for the Commission to consider matters related to Competitive negotiated service agreement(s). The request(s) may propose the addition of a negotiated service agreement from the Competitive product list or the modification of an existing product currently appearing on the Competitive product list.

The public portions of the Postal Service’s request(s) can be accessed via the Commission’s website (<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 3011.301.¹

¹ See Docket No. RM2018–3, Order Adopting Final Rules Relating to Non-Public Information,

Section II identifies the docket number(s) associated with each Postal Service request, if any, that will be reviewed in a public proceeding as defined by 39 CFR 3010.101(p), the title of each such request, the request's acceptance date, and the authority cited by the Postal Service for each request. For each such 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 and 39 CFR 3000.114 (Public Representative). The Public Representative does not represent any individual person, entity or particular point of view, and, when Commission attorneys are appointed, no attorney-client relationship is established. Section II also establishes comment deadline(s) pertaining to each such request.

The Commission invites comments on whether the Postal Service's request(s) identified in Section II, if any, are consistent with the policies of title 39. Applicable statutory and regulatory requirements include 39 U.S.C. 3632, 39 U.S.C. 3633, 39 U.S.C. 3642, 39 CFR part 3035, and 39 CFR part 3041. Comment deadline(s) for each such request, if any, appear in Section II.

Section III identifies the docket number(s) associated with each Postal Service request, if any, to add a standardized distinct product to the Competitive product list or to amend a standardized distinct product, the title of each such request, the request's acceptance date, and the authority cited by the Postal Service for each request. Standardized distinct products are negotiated service agreements that are variations of one or more Competitive products, and for which financial models, minimum rates, and classification criteria have undergone advance Commission review. See 39 CFR 3041.110(n); 39 CFR 3041.205(a). Such requests are reviewed in summary proceedings pursuant to 39 CFR 3041.325(c)(2) and 39 CFR 3041.505(f)(1). Pursuant to 39 CFR 3041.405(c)–(d), the Commission does not appoint a Public Representative or request public comment in proceedings to review such requests. The comment due date discussed above does not apply to Section III proceedings (Docket Nos. MC2026–217 and K2026–215).

II. Public Proceeding(s)

1. *Docket No(s): K2025–1324; Filing Title: Request of the United States Postal Service Concerning Modification One to Priority Mail Express International, Priority Mail International & First-Class Package International Service Contract 66, Which Includes an Extension of That Agreement; Filing Acceptance Date: April 21, 2026; Filing Authority: 39 CFR 3041.505, and 3041.515; Public Representative: Maxine Bradley; Comments Due: April 29, 2026.*

III. Summary Proceeding(s)

1. *Docket No(s): MC2026–217 and K2026–215; Filing Title: USPS Request to Add New Fulfillment Standardized Distinct Product, PM–GA Contract 961, and Notice of Filing Materials Under Seal; Filing Acceptance Date: April 21, 2026; Filing Authority: 39 U.S.C. 3642 and 3633, 39 CFR 3035.105, and 39 CFR 3041.325.*

This Notice will be published in the **Federal Register**.

Danielle LeFlore,
Legal Assistant.

[FR Doc. 2026–08085 Filed 4–23–26; 8:45 am]

BILLING CODE 7710–FW–P

POSTAL SERVICE

Sunshine Act Meetings

TIME AND DATE: Friday, May 8, 2026, at 9:00 a.m. EST.

PLACE: Washington, DC, at U.S. Postal Service Headquarters, 475 L'Enfant Plaza, SW

STATUS: Closed.

MATTERS CONSIDERED:

1. Strategic Matters
2. Financial and Operational Matters.
3. Administrative Matters.

General Counsel Certification: The General Counsel of the United States Postal Service has certified that the meeting may be closed under the Government in the Sunshine Act, 5 U.S.C. 552b.

CONTACT PERSON FOR MORE INFORMATION:

Lucy C. Trout, Secretary of the Board of Governors, U.S. Postal Service, 475 L'Enfant Plaza, SW, Washington, DC 20260–1000. Telephone: (202) 268–4800.

Lucy C. Trout,
Secretary.

[FR Doc. 2026–08086 Filed 4–22–26; 4:15 pm]

BILLING CODE 7710–12–P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–105282; File No. SR–CboeBZX–2026–030]

Self-Regulatory Organizations; Cboe BZX Exchange, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Amend Rule 21.17 To Adopt a Wide Market Protection Mechanism Designed To Reduce the Risk of Orders Executing at Extreme or Adverse Prices When the National Best Bid and Offer (“NBBO”) Is Determined To Be Wide

April 21, 2026.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the “Act”),¹ and Rule 19b–4 thereunder,² notice is hereby given that on April 10, 2026, Cboe BZX Exchange, Inc. (“Exchange” or “BZX”) filed with the Securities and Exchange Commission (“Commission”) the proposed rule change as described in Items I and II below, which Items have been prepared by the Exchange. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

Cboe BZX Exchange, Inc. (the “Exchange” or “BZX”) proposes to amend Rule 21.17 to adopt a wide market protection mechanism designed to reduce the risk of orders executing at extreme or adverse prices when the national best bid and offer (“NBBO”) is determined to be wide. The text of the proposed rule change is provided in Exhibit 5.

The text of the proposed rule change is also available on the Commission's website (<https://www.sec.gov/rules/sro.shtml>), the Exchange's website (https://www.cboe.com/us/equities/regulation/rule_filings/bzx/), and at the principal office of the Exchange.

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

In its filing with the Commission, the Exchange included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The Exchange has prepared summaries, set

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b–4.

forth in sections A, B, and C below, of the most significant aspects of such statements.

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

1. Purpose

The purpose of this rule filing is to amend Rule 21.17(a), Additional Price Protection Mechanisms and Risk Controls (Simple Orders), to adopt a wide market protection mechanism designed to reduce the risk of orders executing at extreme or adverse prices when the NBBO is determined to be wide.³ The Exchange notes that its affiliated exchange, Cboe Exchange, Inc. (hereinafter "C1" or Cboe Exchange"), recently implemented rule changes adopting a substantially similar wide market protection mechanism.⁴ The proposed wide market protection mechanism, similar to that implemented by Cboe Exchange, will leverage the existing iterative drill-through protection mechanism for certain orders when the NBBO is wide and will initiate a drill-through pause on applicable inbound market or limit orders or elected Stop (Stop-Loss)⁵ or Stop-Limit⁶ orders which would either

execute or post to the BZX Book⁷ at potentially extreme prices. In addition, the Exchange proposes to update Rule 21.17 to make non-substantive formatting corrections.⁸

Drill-Through Price protection is currently described in updated Exchange Rule 21.17(a)(3). Under updated Rule 21.17(a)(3)(A), if a buy (sell) order enters the BZX Book at the conclusion of the opening auction process or would execute or post to the BZX Book when it enters the BZX Book, the System⁹ executes the order up (down) to a buffer amount (the Exchange determines the buffer amount on a class and premium basis) above (below) the offer (bid) limit of the Opening Collar¹⁰ or the National Best Offer ("NBO") (National Best Bid ("NBB")) that existed at the time of order entry, respectively (the "Drill-Through Price").¹¹

Updated Rule 21.17(a)(3)(C) establishes an iterative drill-through process, whereby orders will rest in the BZX Book for multiple time periods and at more aggressive displayed prices during each time period.¹² Specifically, for a market order with a Time-in-Force of Day or a limit order (or unexecuted portion) with a Time-in-Force of Day, Good-til-Cancelled ("GTC"), or Good-til-Date ("GTD"), the System enters the order in the BZX Book with a displayed price equal to the Drill-Through Price. The order (or unexecuted portion) will rest in the BZX Book at the Drill-Through Price for the duration of consecutive time periods (the Exchange

determines on a class-by-class basis the length of the time period in milliseconds, which may not exceed three seconds) (each time period is referred to as an "iteration").¹³ Following the end of each period, the System adds (if a buy order) or subtracts (if a sell order) one buffer amount (the Exchange determines the buffer amount on a class-by-class basis) to the Drill-Through Price displayed during the immediately preceding period (each new price becomes the "Drill-Through Price").¹⁴ The order (or unexecuted portion) rests in the BZX Book at that new Drill-Through Price for the duration of the subsequent period. The System applies a timestamp to the order (or unexecuted portion) based on the time it enters or is re-priced in the BZX Book for priority reasons. The order continues through this iterative process until the earliest of the following to occur: (a) the order fully executes; (b) the User¹⁵ cancels the order; or (c) the buy (sell) order's limit price equals or is less (greater) than the Drill-Through Price at any time during application of the drill-through mechanism, in which case the order rests in the BZX Book at its limit price, subject to a User's instructions.

Currently, there are common scenarios in which certain orders are trading at prices that are, for reasons described below, artificially wide. For example, certain trading strategies result in a significant number of simple Stop (Stop-Loss) and Stop-Limit orders resting in the BZX Book and then being triggered simultaneously by a common event. The receipt of large quantities of market and limit orders on the same side of a series results in rapid removal of liquidity without opportunity for replenishment (and potential related triggers of risk protections). This results in potentially extreme or adverse execution prices as risk is re-evaluated by Market-Makers and quotes are replenished, typically within seconds of the start of the triggering event. Additionally, the Exchange has observed an increase in resting Stop (Stop-Loss) or Stop-Limit orders that are simultaneously triggered around the opening of the relevant trading session and trading at extremely wide price levels, up to Obvious Error prices. Similarly, Stop (Stop-Loss) and Stop-Limit orders may be triggered on a trade (rather than an NBBO update) that

³ The Exchange notes it currently has a Market Order NBBO Width Protection Mechanism set forth in updated Rule 21.17(a)(1); the proposed rule change does not result in changes to the Market Order NBBO Width Protection Mechanism, which is infrequently triggered. In general, the current Market Order NBBO Width Protection Mechanism applies when the NBBO is significantly wider than will be considered under the proposed wide market protection mechanism. Further, the Market Order NBBO Width Protection is applicable only to market orders and does not apply to Stop (Stop-Loss) orders. The proposed wide market protection mechanism is applicable to market and limit orders (subject to certain exceptions), and is intended to "catch" more orders. Unlike the Market Order NBBO Width Protection Mechanism, which cancels orders too far outside the NBBO, the proposed mechanism will trigger the drill-through process for applicable orders and thus provide additional execution opportunities.

⁴ See Securities Exchange Act Release No. 34-104245 (November 24, 2025), 90 FR 54806 (November 28, 2025) (SR-CBOE-2025-081) (amending Cboe Exchange Rule 5.34 to adopt a wide market protection mechanism). See also Securities Exchange Act Release No. 34-104435 (December 17, 2025), 90 FR 59890 (December 22, 2025) (SR-CBOE-2025-091) (amending Cboe Exchange Rule 5.34 to exclude all M and N capacity orders from the wide market protection mechanism).

⁵ A Stop Order is an order that becomes a BZX market order when the stop price is elected. A Stop Order to buy is elected when the consolidated last sale in the security occurs at, or above, the specified stop price. A Stop Order to sell is elected when the consolidated last sale in the security occurs at, or below, the specified stop price. See Rule 11.9(c)(16) (definition of "Stop Order").

⁶ A Stop Limit Order is an order that becomes a limit order when the stop price is elected. A Stop

Limit Order to buy is elected when the consolidated last sale in the security occurs at, or above, the specified stop price. A Stop Limit Order to sell becomes a sell limit order when the consolidated last sale in the security occurs at, or below, the specified stop price. See 11.9(c)(17) (definition of "Stop Limit Order").

⁷ "BZX Book" shall mean the System's electronic file of orders. See Rule 1.5(e) (definition of "BZX Book").

⁸ The Exchange proposes to renumber current Rule 21.17(a)(3)(1) to (5) to be Rule 21.17(a)(3)(A) to (E); current Rule 21.17(a)(3)(3)(A) to (G) to be Rule 21.17(a)(3)(C)(i) to (vii); current Rule 21.17(a)(4)(1) to (3) to be Rule 21.17(a)(4)(A) to (C); and current Rule 21.17(a)(4)(1)(A) and (B) to be Rule 21.17(a)(4)(A)(i) and (ii). All references to Rule 21.17 will refer to the proposed updated numbering and formatting of the Rule.

⁹ "System" means the electronic communications and trading facility designated by the Board through which securities orders of Users are consolidated for ranking, execution and, when applicable, routing away. See Rule 1.5(aa) (definition of, "System").

¹⁰ See Rule 21.7(a) for the definition of Opening Collars.

¹¹ See updated Rule 21.17(a)(3)(A).

¹² The Exchange will announce to Members the buffer amount and the length of the time periods in accordance with Rule 16.3. The Exchange notes that each time period will be the same length (as designated by the Exchange), and the buffer amount applied for each time period will be the same.

¹³ See updated Rule 21.17(a)(3)(C).

¹⁴ See updated Rule 21.17(a)(3)(C).

¹⁵ The term "User" shall mean any Member or Sponsored Participant who is authorized to obtain access to the System pursuant to Rule 11.3. See Rule 1.5(cc) (definition of "User").

exhausts liquidity, causing the triggered order(s) to execute at the next available bid/offer, which may be at an extreme level, rather than affording the order the benefit of Drill-Through Price protection by displaying the order at the price of the triggering trade and iterating from there.

The Exchange now proposes rule changes designed to prevent trades at extreme or adverse price levels in such scenarios, when quotes are wide or when orders are removing liquidity in rapid succession. The Exchange proposes to amend Rule 21.17 to add a wide market protection mechanism that will leverage the existing iterative drill-through protection mechanism for certain orders when the NBBO is considered “wide” and will initiate a drill-through pause on applicable near-marketable inbound market or limit orders or elected Stop (Stop-Loss) or Stop-Limit orders which would either execute or post to the BZX Book at potentially extreme or adverse prices.

Specifically, the Exchange proposes to add new Rule 21.17(a)(6) to establish a wide market protection mechanism. Under proposed Rule 21.17(a)(6)(A), if (i) when the NBBO is “wide,” the System receives a buy (sell) order with a price that is more than a buffer amount above (below) the NBB (NBO) or (ii) a Stop (Stop-Loss) or Stop-Limit buy (sell) order is triggered and is priced more than a buffer amount above (below) the NBB (NBO) and the NBBO after the triggering event is “wide,” the order enters the BZX Book and is displayed at the Benchmark Price for an Exchange determined-amount of time (this time period will be considered the first drill-through iteration pursuant to updated Rule 21.17(a)(3)). If the order does not execute or there is any remaining size of the order following a partial execution, the order will continue the drill-through process pursuant to updated Rule 21.17(a)(3).

As set forth in proposed Rule 21.17(a)(6)(A), for purposes of the proposed subparagraph (6), the NBBO is “wide” if there is no NBO or the width of the NBBO for the series is equal to or greater than an amount the Exchange determines on a class-by-class basis and which is applied based on the NBB. Further, for a buy (sell) order, the Benchmark Price is the least aggressive price of (1) the NBB (NBO) plus (minus) a buffer amount determined by the Exchange on a class and premium basis;¹⁶ (2) the last trade price, if greater

(less) than or equal to the NBB (NBO);¹⁷ or (3) the midpoint of the then-current NBBO. Consider the below examples.

Example #1, Demonstrating Eligibility of a Stop-Limit Order for Wide Market Protection

In this example, a buy Stop-Limit order is triggered, the NBBO after the triggering event is determined to be wide, and the limit price is more than a buffer amount above the NBB. Under the proposed rules, the order will be paused at the Benchmark Price and begin drill-through iteration. Assume for purposes of this example, the market will be considered wide pursuant to proposed Rule 21.17(a)(6)(A)(i) if the width of the NBBO for the series is equal to or greater than \$1.50. Further assume for this example, the buffer amount to determine limit order eligibility based on price is 80% of the width of NBBO.

Order 1: Stop-Limit Buy 5 contracts @ 3.33, Stop Price = \$2.30

MM1 Quote: 5 @ 1.95 × 5 @ 3.65

MM2 Quote: 5 @ 1.95 × 5 @ 2.30 (NBBO, not wide)

Order 2: Buy 5 @ 2.30

Order 2 trades with MM2 Quote at 2.30; as a result, Order 1 is elected.

The resulting NBBO after the triggering event is 1.95×3.65 (i.e., NBBO width equal to \$1.70), which is considered wide, and Order 1 is triggered with a limit price of \$3.33, which is greater than the Exchange-determined buffer amount above the NBB (i.e., NBB of $1.95 + (\text{NBBO width of } 1.70 \times 0.80 \text{ buffer}) = 3.31$). Thus, Order 1 is subject to the wide market protection mechanism.

Example #2, Demonstrating Determination of Benchmark Price

In this example, a buy Stop (Stop-Loss) order is triggered by a quote, the NBBO after the triggering event is determined to be wide, and the price is more than a buffer amount above the NBB. Under the proposed rules, the order will be paused at the Benchmark Price and begin drill-through iteration. Assume for purposes of this example, the market will be considered wide pursuant to proposed Rule 21.17(a)(6)(A)(i) if the width of the NBBO for the series is equal to or greater than \$1.50. Further assume for this example, the buffer amount to determine the order eligibility based on

the Benchmark Price will use the less aggressive of the last trade price or the NBB plus the buffer amount determined by the Exchange on a class-by-class basis.

¹⁷ If last trade price is worse than the NBO (NBB) it will not be used as a possible Benchmark Price.

price is 80% of the width of NBBO and the buffer amount used in determining Benchmark Price is 0.75.

Order 1: Stop (Stop-Loss) Buy 5 @ 3.40, Stop Price = \$2.00

MM1 Quote: 5 @ 1.95 × 5 @ 3.75

MM2 Quote: 5 @ 1.95 × 5 @ 2.30 (NBBO, not wide)

Order 2: Buy 5 @ 2.30

Order 2 trades with MM2 Quote at 2.30; as a result, Order 1 is elected.

The resulting NBBO after the triggering event is 1.95×3.75 (i.e., NBBO width equal to \$1.80), which is considered wide, and Order 1 is triggered with a price of \$3.40, which is greater than the Exchange-determined buffer amount above the NBB (i.e., NBB of $1.95 + (\text{NBBO width of } 1.80 \times 0.80 \text{ buffer}) = 3.39$). Thus, Order 1 is subject to the wide market protection mechanism. The Benchmark Price is 2.30, determined as the least aggressive of:

- The NBB (1.95) plus a buffer amount determined by the Exchange on a class and premium basis (0.75): 2.70.
- Last Trade Price: 2.30.
- The midpoint of the then-current NBBO: 2.85.

Thus, executions of Order 1 up to \$2.30 will be considered the initial drill-through iteration, as the order becomes subject to the Drill-Through Price protection mechanism under updated Rule 21.17(a)(3)(C).

The Exchange proposes to add Rule 21.17(a)(6)(B) to specify that the wide market protection mechanism will not apply during a pre-determined amount of time prior to the close of the Regular Trading Hours (“RTH”)¹⁸ trading session (such time will be determined by the Exchange).¹⁹ This provides a final opportunity for market participants to utilize Stop (Stop-Loss) and Stop-Limit orders to exit positions if desired at the end of the trading session, in order to avoid unintended overnight risk.²⁰

The Exchange proposes to add Rule 21.17(a)(6)(C), which states that if an order would initiate the wide market protection while the drill-through process in the applicable series is in progress pursuant to updated Rule 21.17(a)(3), then the System does not initiate the wide market protection and

¹⁸ “Regular Trading Hours” means the time between 9:30 a.m. and 4:00 p.m. Eastern Time. See Rule 1.5(w).

¹⁹ During this time, the drill-through process will not be initiated by the wide market protection mechanism but may still apply pursuant to updated Rule 21.17(a)(3).

²⁰ The Exchange notes that Rule 20.6(c), Obvious Errors, will continue to apply as it does today; there are no changes to the Obvious Error rules as a result of the proposed rule change.

¹⁶ In a no-bid scenario for buy orders, the NBB will be considered as zero and the Benchmark Price will be calculated accordingly. In a no-offer scenario for sell orders, the NBO will not be used;

instead the order would join the ongoing drill-through as set forth in updated Rule 21.17(a)(3)(C)(iv). The Exchange also proposes to add Rule 21.17(a)(6)(D) to exclude bulk messages, Intermarket Sweep Orders (“ISOs”), Immediate-or-Cancel orders (“IOCs”), and M and N capacity orders from the wide market protection mechanism; and to note that the Exchange may apply the wide market protection on a class-by-class basis.

The Exchange also proposes to amend updated Rule 21.17(a)(4)(A)(ii) to exclude from the current protections for market orders in no-bid series certain orders that would be otherwise subject to wide market protection under the proposed rule changes. Currently, under updated Rule 21.17(a)(4)(A)(ii), if the System receives a sell market order in a series after it is open for trading with an NBB of zero, and the NBO in the series is greater than \$0.50, the System cancels or rejects the market order, except if a drill-through process (described in updated subparagraph (a)(3)) is in progress for sell orders in the series and the sell market order would be subject to the drill-through protection, then the order joins the ongoing drill-through process in the then-current iteration and at the then-current Drill-Through Price, regardless of NBBO. The Exchange proposes to amend updated Rule 21.17(a)(4)(A)(ii) to note that in the event the System receives a sell market order in a series after it is open for trading with an NBB of zero and the NBO in the series is greater than \$0.50, if the order is subject to wide market protection pursuant to proposed subparagraph (a)(6), then the order enters the BZX Book and is displayed at the Benchmark Price for an Exchange determined-amount of time (this time period will be considered the first drill-through iteration pursuant to updated subparagraph (a)(3)), with any remaining size continuing the drill-through process pursuant to updated subparagraph (a)(3).

Finally, the Exchange proposes to amend updated Rule 21.17(a)(4)(B) to exclude from the current protections for market orders in no-offer series certain orders that would be otherwise subject to wide market protection under the proposed rule changes or drill-through protections pursuant to updated Rule 21.17(a)(3). Currently under updated Rule 21.17(a)(4)(B), if the System receives a buy market order in a series after it is open for trading with an NBO of zero, the System cancels or rejects the market order. The Exchange proposes to amend updated Rule 21.17(a)(4)(B) to note that in the event the System receives a buy market order in a series

after it is open for trading with an NBO of zero, if the order is subject to wide market protection pursuant to proposed subparagraph (a)(6), then the order enters the BZX Book and is displayed at the Benchmark Price for an Exchange determined-amount of time (this time period will be considered the first drill-through iteration pursuant to updated subparagraph (a)(3)), with any remaining size continuing the drill-through process pursuant to updated subparagraph (a)(3); or if a drill-through process (described in updated subparagraph (a)(3)) is in progress for buy orders in the series and the buy market order would be subject to the drill-through protection, then the order joins the ongoing drill-through process in the then-current iteration and at the then-current Drill-Through Price, regardless of NBBO.

2. Statutory Basis

The Exchange believes the proposed rule change is consistent with the Securities Exchange Act of 1934 (the “Act”) and the rules and regulations thereunder applicable to the Exchange and, in particular, the requirements of Section 6(b) of the Act.²¹ Specifically, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)²² requirements that the rules of an exchange be designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in securities, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general, to protect investors and the public interest. Additionally, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)²³ requirement that the rules of an exchange not be designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

In particular, the Exchange believes the proposed rule change to implement a wide market protection mechanism will remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general, protect investors, because it will provide applicable orders with additional and consistent execution opportunities and price protections. As noted above, the wide market protection mechanism is

effectively an extension of the Exchange’s current Drill-Through Price protection, of which the primary purpose is to prevent orders from executing at prices “too far away” from the market when they enter the BZX Book for potential execution. The Exchange believes the proposed rule change is consistent with this purpose, because Users who submit applicable orders or have orders triggered in markets that are wider than expected, possibly due to wide quotes or orders removing liquidity in rapid succession, will receive price protection against execution at potentially extreme or adverse prices and additional execution opportunities.

Further, the proposed rule change to leverage the existing iterative drill-through protection mechanism for certain orders when the NBBO is considered “wide” allows these orders to receive the same level of price protection as other orders otherwise subject to the drill-through process. The proposed rule change will allow orders in wide markets additional execution opportunities while continuing to protect them against execution at potentially extreme prices, by providing the opportunity for execution at reasonable prices by allowing for liquidity replenishment that may result in more aggressive prices, especially during times when liquidity may require additional time to replenish, such as near the beginning of a trading session.

The Exchange believes the proposal will enhance risk protections, the individual firm benefits of which flow downstream to counterparties both at the Exchange and at other options exchanges, which increases systemic protections as well. The Exchange believes enhancing risk protections will allow Users to enter orders, including Stop (Stop-Loss) and Stop-Limit orders, and quotes with further reduced fear of inadvertent exposure to excessive risk, which will benefit investors through increased exposure to liquidity for the execution of their orders.

The Exchange also believes the proposed changes regarding the application of the wide market protection mechanism during Exchange trading sessions will protect investors, as the proposed application allows market participants a final opportunity to utilize Stop (Stop-Loss) and Stop-Limit orders to exit positions if desired at the end of the relevant trading session, in order to avoid unintended overnight risk. Further, the proposed changes add transparency to the rules regarding the wide market protection functionality and provide greater

²¹ 15 U.S.C. 78f(b).

²² 15 U.S.C. 78f(b)(5).

²³ *Id.*

certainty as to the application of the process.

Additionally, the Exchange believes changes to specifically exclude bulk messages, ISOs, and IOC from the wide market protection mechanism (similar to the Drill-Through Price protection mechanism) are reasonable and appropriate, given the iterative pricing process would be inconsistent with the orders instruction (and thus the user's intent). The proposed change to exclude all M and N capacity orders is designed to ensure consistency across all potential types of Market-Maker orders. The Exchange believes the proposed change to exclude all M and N capacity orders from the wide market protection is reasonable, as Market-Makers are positioned to observe and subsequently address wide market scenarios, by tightening the NBBO with an order or quote.

The Exchange also believes the proposed change to clarify that the System will not initiate the wide market protection while a drill-through process in the applicable series is in progress is reasonable, as it will bring transparency and clarity to the rulebook regarding how the wide market protection mechanism interacts with the Drill-Through Price protection mechanism, to the benefit of investors. This proposed change is consistent with current drill-through functionality, where incoming orders that enter the BZX Book while the drill-through is in progress and that would be subject to the drill-through protection join the on-going drill-through process.²⁴

Additionally, the Exchange believes changes to specifically exclude from the current protections for market orders in no-bid (offer) series certain orders that would otherwise be subject to wide market protection will remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general, protect investors. Specifically, the Exchange believes the change to exclude from the current protections for market orders in no-bid (offer) series certain orders that would otherwise be subject to wide market protection may allow opportunity for execution than if they were immediately canceled or rejected. This proposed rule change may increase execution opportunities for Users that submit sell market orders with an NBB of zero when the NBO in the series is greater than \$0.50 (in the case of market orders in no-bid series protections) or buy market orders with an NBO of zero while still providing protection against executions at

potentially erroneous prices. Similarly, the Exchange believes the change to allow buy market orders received by the System when the NBO is zero to be subject to the drill-through process is reasonable, as it may allow opportunity for execution of such orders, rather than if they were immediately canceled or rejected. This change aligns market order in no-bid (offer) series protection for Users that submit sell market orders with an NBB of zero when the NBO in the series is greater than \$0.50 (in the case of market orders in no-bid series protections) with how the Exchange will handle buy market orders with an NBO of zero.

Finally, the Exchange believes the proposed change to apply the wide market protection on a class-by-class basis is reasonable, as classes may have different trading characteristics or may be affected differently by market conditions. The proposal will provide the Exchange with flexibility to apply wide market protections in a manner which accounts for material differences across option classes, thereby enhancing investor protection while minimizing unnecessary market disruption. Further, the Exchange believes the proposed changes are not unfairly discriminatory, as wide market protection applies uniformly to all market participants within each class. This approach is consistent with the Exchange's existing practice of applying certain other order and quote price protection and risk controls, such as the limit order fat finger check for simple orders,²⁵ on a class-by-class basis where product characteristics warrant differential treatment in regard to risk protections.

B. Self-Regulatory Organization's Statement on Burden on Competition

The Exchange does not believe that the proposed rule change will impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. The Exchange does not believe that the proposed rule change will impose any burden on intramarket competition that is not necessary or appropriate in furtherance of the purposes of the Act because the wide market protection functionality will apply to all applicable orders in a class in the same manner. Additionally, it will provide the same price protection and execution opportunities to relevant orders that are currently provided to orders that are subject to the Drill-Through Price protection process, as the wide market protection mechanism is effectively an extension of the Exchange's current

Drill-Through Price protection. As noted above, the Exchange believes it is not unfairly discriminatory to apply this protection on a class-by-class basis, as wide market protection applies uniformly to all market participants within each class. This approach is consistent with the Exchange's existing practice of applying certain other order and quote price protection and risk controls, such as the limit order fat finger check for simple orders,²⁶ on a class-by-class basis where product characteristics warrant differential treatment in regard to risk protections.

The Exchange does not believe that the proposed rule change will impose any burden on intermarket competition that is not necessary or appropriate in furtherance of the purposes of the Act, as the proposed rule change relates specifically to price protections offered on the Exchange and how the System handles orders as part of these price protection mechanisms. The proposed wide market protection mechanism expands the current Drill-Through Price protection mechanism and provides relevant orders with improved protection against execution at potentially extreme or adverse prices through Drill-Through Price protection.

The Exchange believes the proposed rule change would ultimately provide all market participants with additional execution opportunities when appropriate while providing protection from extreme or adverse execution. The Exchange believes the proposal will enhance risk protections, the individual firm benefits of which flow downstream to counterparties both at the Exchange and at other options exchanges, which increases systemic protections as well. The Exchange believes enhancing risk protections will allow Users to enter orders, including Stop (Stop-Loss) and Stop-Limit orders, and quotes with further reduced fear of inadvertent exposure to excessive risk, which will benefit investors through increased exposure to liquidity for the execution of their orders. Without adequate risk management tools, Trading Permit Holders could reduce the amount of order flow and liquidity they provide. Such actions may undermine the quality of the markets available to customers and other market participants. Accordingly, the proposed rule change is designed to encourage Trading Permit Holders to submit additional order flow and liquidity to the Exchange. The proposed change may similarly provide additional execution opportunities, which further benefits liquidity, especially during times when liquidity

²⁴ See updated Rule 21.17(a)(3)(C)(iv).

²⁵ See Rule 21.17(c)(1).

²⁶ See Rule 21.17(c)(1).

may require additional time to replenish, such as near the beginning of a trading session. Additionally, as discussed above, the Exchange's affiliated exchange, Cboe Exchange, recently implemented rule changes adopting a substantially similar wide market protection mechanism.²⁷ Thus, the proposed rule change will also align the rules of the Exchange with that of its affiliated exchange, Cboe Exchange.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others

The Exchange neither solicited nor received comments on the proposed rule change.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

The Exchange has filed the proposed rule change pursuant to Section 19(b)(3)(A) of the Act²⁸ and Rule 19b-4(f)(6)²⁹ thereunder. Because the foregoing proposed rule change does not: (i) significantly affect the protection of investors or the public interest; (ii) impose any significant burden on competition; and (iii) become operative for 30 days from the date on which it was filed, or such shorter time as the Commission may designate, it has become effective pursuant to Section 19(b)(3)(A) of the Act³⁰ and Rule 19b-4(f)(6)³¹ thereunder.

At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission shall institute proceedings to determine whether the proposed rule should be approved or disapproved.

²⁷ See Securities Exchange Act Release No. 34-104245 (November 24, 2025), 90 FR 54806 (November 28, 2025) (SR-CBOE-2025-081). See also Securities Exchange Act Release No. 34-104435 (December 17, 2025), 90 FR 59890 (December 22, 2025) (SR-CBOE-2025-091).

²⁸ 15 U.S.C. 78s(b)(3)(A).

²⁹ 17 CFR 240.19b-4(f)(6).

³⁰ 15 U.S.C. 78s(b)(3)(A).

³¹ 17 CFR 240.19b-4(f)(6). In addition, Rule 19b-4(f)(6) requires a self-regulatory organization to give the Commission written notice of its intent to file the proposed rule change, along with a brief description and text of the proposed rule change, at least five business days prior to the date of filing of the proposed rule change, or such shorter time as designated by the Commission. The Exchange has satisfied this requirement.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic Comments

- Use the Commission's internet comment form (<https://www.sec.gov/rules/sro.shtml>); or
- Send an email to rule-comments@sec.gov. Please include file number SR-CboeBZX-2026-030 on the subject line.

Paper Comments

- Send paper comments in triplicate to Secretary, Securities and Exchange Commission, 100 F Street NE, Washington, DC 20549-1090.

All submissions should refer to file number SR-CboeBZX-2026-030. 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 website (<https://www.sec.gov/rules/sro.shtml>). Copies of the filing will be available for inspection and copying at the principal office of the Exchange. Do not include personal identifiable information in submissions; you should submit only information that you wish to make available publicly. We may redact in part or withhold entirely from publication submitted material that is obscene or subject to copyright protection. All submissions should refer to file number SR-CboeBZX-2026-030 and should be submitted on or before May 15, 2026.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.³²

Sherry R. Haywood,

Assistant Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-105280; File No. SR-CboeEDGX-2026-023]

Self-Regulatory Organizations; Cboe EDGX Exchange, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Amend Rule 21.17 To Adopt a Wide Market Protection Mechanism Designed To Reduce the Risk of Orders Executing at Extreme or Adverse Prices When the National Best Bid and Offer ("NBBO") Is Determined To Be Wide

April 21, 2026.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the "Act"),¹ and Rule 19b-4 thereunder,² notice is hereby given that on April 10, 2026, Cboe EDGX Exchange, Inc. ("Exchange" or "EDGX") filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Items I and II below, which Items have been prepared by the Exchange. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

Cboe EDGX Exchange, Inc. (the "Exchange" or "EDGX") proposes to amend Rule 21.17 to adopt a wide market protection mechanism designed to reduce the risk of orders executing at extreme or adverse prices when the national best bid and offer ("NBBO") is determined to be wide. The text of the proposed rule change is provided in Exhibit 5.

The text of the proposed rule change is also available on the Commission's website (<https://www.sec.gov/rules/sro.shtml>), the Exchange's website (https://www.cboe.com/us/equities/regulation/rule_filings/bzx/), and at the principal office of the Exchange.

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

In its filing with the Commission, the Exchange included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The Exchange has prepared summaries, set

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³² 17 CFR 200.30-3(a)(12).

forth in sections A, B, and C below, of the most significant aspects of such statements.

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

1. Purpose

The purpose of this rule filing is to amend Rule 21.17(a), Additional Price Protection Mechanisms and Risk Controls (Simple Orders), to adopt a wide market protection mechanism designed to reduce the risk of orders executing at extreme or adverse prices when the NBBO is determined to be wide.³ The Exchange notes that its affiliated exchange, Cboe Exchange, Inc. (hereinafter "C1" or Cboe Exchange"), recently implemented rule changes adopting a substantially similar wide market protection mechanism.⁴ The proposed wide market protection mechanism, similar to that implemented by Cboe Exchange, will leverage the existing iterative drill-through protection mechanism for certain orders when the NBBO is wide and will initiate a drill-through pause on applicable inbound market or limit orders or elected Stop (Stop-Loss)⁵ or Stop-Limit⁶ orders which would either

execute or post to the EDGX Book⁷ at potentially extreme prices.

Drill-Through Price protection is currently described in Exchange Rule 21.17(a)(4). Under Rule 21.17(a)(4)(A), if a buy (sell) order enters the EDGX Book at the conclusion of the opening auction process or would execute or post to the EDGX Book when it enters the EDGX Book, the System⁸ executes the order up (down) to a buffer amount (the Exchange determines the buffer amount on a class and premium basis) above (below) the offer (bid) limit of the Opening Collar⁹ or the National Best Offer ("NBO") (National Best Bid ("NBB")) that existed at the time of order entry, respectively (the "Drill-Through Price").¹⁰

Rule 21.17(a)(4)(C) establishes an iterative drill-through process, whereby orders will rest in the EDGX Book for multiple time periods and at more aggressive displayed prices during each time period.¹¹ Specifically, for a market order with a Time-in-Force of Day or a limit order (or unexecuted portion) with a Time-in-Force of Day, Good-til-Cancelled ("GTC"), or Good-til-Date ("GTD"), the System enters the order in the EDGX Book with a displayed price equal to the Drill-Through Price. The order (or unexecuted portion) will rest in the EDGX Book at the Drill-Through Price for the duration of consecutive time periods (the Exchange determines on a class-by-class basis the length of the time period in milliseconds, which may not exceed three seconds) (each time period is referred to as an "iteration").¹² Following the end of each period, the System adds (if a buy order) or subtracts (if a sell order) one buffer amount (the Exchange determines the buffer amount on a class-by-class basis)

to the Drill-Through Price displayed during the immediately preceding period (each new price becomes the "Drill-Through Price").¹³ The order (or unexecuted portion) rests in the EDGX Book at that new Drill-Through Price for the duration of the subsequent period. The System applies a timestamp to the order (or unexecuted portion) based on the time it enters or is re-priced in the EDGX Book for priority reasons. The order continues through this iterative process until the earliest of the following to occur: (a) the order fully executes; (b) the User¹⁴ cancels the order; or (c) the buy (sell) order's limit price equals or is less (greater) than the Drill-Through Price at any time during application of the drill-through mechanism, in which case the order rests in the EDGX Book at its limit price, subject to a User's instructions.

Currently, there are common scenarios in which certain orders are trading at prices that are, for reasons described below, artificially wide. For example, certain trading strategies result in a significant number of simple Stop (Stop-Loss) and Stop-Limit orders resting in the EDGX Book and then being triggered simultaneously by a common event. The receipt of large quantities of market and limit orders on the same side of a series results in rapid removal of liquidity without opportunity for replenishment (and potential related triggers of risk protections). This results in potentially extreme or adverse execution prices as risk is re-evaluated by Market-Makers and quotes are replenished, typically within seconds of the start of the triggering event. Additionally, the Exchange has observed an increase in resting Stop (Stop-Loss) or Stop-Limit orders that are simultaneously triggered around the opening of the relevant trading session and trading at extremely wide price levels, up to Obvious Error prices. Similarly, Stop (Stop-Loss) and Stop-Limit orders may be triggered on a trade (rather than an NBBO update) that exhausts liquidity, causing the triggered order(s) to execute at the next available bid/offer, which may be at an extreme level, rather than affording the order the benefit of Drill-Through Price protection by displaying the order at the price of the triggering trade and iterating from there.

The Exchange now proposes rule changes designed to prevent trades at extreme or adverse price levels in such

³ The Exchange notes it currently has a Market Order NBBO Width Protection Mechanism set forth in Rule 21.17(a)(1); the proposed rule change does not result in changes to the Market Order NBBO Width Protection Mechanism, which is infrequently triggered. In general, the current Market Order NBBO Width Protection Mechanism applies when the NBBO is significantly wider than will be considered under the proposed wide market protection mechanism. Further, the Market Order NBBO Width Protection is applicable only to market orders and does not apply to Stop (Stop-Loss) orders. The proposed wide market protection mechanism is applicable to market and limit orders (subject to certain exceptions), and is intended to "catch" more orders. Unlike the Market Order NBBO Width Protection Mechanism, which cancels orders too far outside the NBBO, the proposed mechanism will trigger the drill-through process for applicable orders and thus provide additional execution opportunities.

⁴ See Securities Exchange Act Release No. 34-104245 (November 24, 2025), 90 FR 54806 (November 28, 2025) (SR-CBOE-2025-081) (amending Cboe Exchange Rule 5.34 to adopt a wide market protection mechanism). See also Securities Exchange Act Release No. 34-104435 (December 17, 2025), 90 FR 59890 (December 22, 2025) (SR-CBOE-2025-091) (amending Cboe Exchange Rule 5.34 to exclude all M and N capacity orders from the wide market protection mechanism).

⁵ An order may include a Stop Price which will convert the order into a Market Order when the Stop Price is triggered. An order to buy converts to a Market Order when the consolidated last sale in the security occurs at, or above, the specified Stop Price. An order to sell converts into a Market Order when the consolidated last sale in the security occurs at, or below, the specified Stop Price. See Rule 11.8(a)(1) (definition of "Stop Price" order).

⁶ An order may contain a Stop Limit Price which will convert to a Limit Order once the Stop Limit

Price is triggered. A Limit Order to buy with a Stop Limit Price becomes eligible for execution by the System when the consolidated last sale in the security occurs at, or above, the specified Stop Price. A Limit Order to sell with a Stop Limit Price becomes eligible for execution by the System when the consolidated last sale in the security occurs at, or below, the specified Stop Limit Price. See Rule 11.8(b)(1) (definition of "Stop-Limit Price" order).

⁷ "EDGX Book" shall mean the System's electronic file of orders. See Rule 1.5(d) (definition of "EDGX Book").

⁸ "System" means the electronic communications and trading facility designated by the Board through which securities orders of Users are consolidated for ranking, execution and, when applicable, routing away. See Rule 1.5(cc) (definition of, "System").

⁹ See Rule 21.7(a) for the definition of Opening Collars.

¹⁰ See Rule 21.17(a)(4)(A).

¹¹ The Exchange will announce to Members the buffer amount and the length of the time periods in accordance with Rule 16.3. The Exchange notes that each time period will be the same length (as designated by the Exchange), and the buffer amount applied for each time period will be the same.

¹² See Rule 21.17(a)(4)(C).

¹³ See Rule 21.17(a)(4)(C).

¹⁴ The term "User" shall mean any Member or Sponsored Participant who is authorized to obtain access to the System pursuant to Rule 11.3. See Rule 1.5(ee) (definition of "User").

scenarios, when quotes are wide or when orders are removing liquidity in rapid succession. The Exchange proposes to amend Rule 21.17 to add a wide market protection mechanism that will leverage the existing iterative drill-through protection mechanism for certain orders when the NBBO is considered “wide” and will initiate a drill-through pause on applicable near-marketable inbound market or limit orders or elected Stop (Stop-Loss) or Stop-Limit orders which would either execute or post to the EDGX Book at potentially extreme or adverse prices.

Specifically, the Exchange proposes to add new Rule 21.17(a)(8) to establish a wide market protection mechanism. Under proposed Rule 21.17(a)(8)(A), if (i) when the NBBO is “wide,” the System receives a buy (sell) order with a price that is more than a buffer amount above (below) the NBB (NBO) or (ii) a Stop (Stop-Loss) or Stop-Limit buy (sell) order is triggered and is priced more than a buffer amount above (below) the NBB (NBO) and the NBBO after the triggering event is “wide,” the order enters the EDGX Book and is displayed at the Benchmark Price for an Exchange determined-amount of time (this time period will be considered the first drill-through iteration pursuant to Rule 21.17(a)(4)). If the order does not execute or there is any remaining size of the order following a partial execution, the order will continue the drill-through process pursuant to Rule 21.17(a)(4).

As set forth in proposed Rule 21.17(a)(8)(A), for purposes of the proposed subparagraph (6), the NBBO is “wide” if there is no NBO or the width of the NBBO for the series is equal to or greater than an amount the Exchange determines on a class-by-class basis and which is applied based on the NBB. Further, for a buy (sell) order, the Benchmark Price is the least aggressive price of (1) the NBB (NBO) plus (minus) a buffer amount determined by the Exchange on a class and premium basis;¹⁵ (2) the last trade price, if greater (less) than or equal to the NBB (NBO);¹⁶ or (3) the midpoint of the then-current NBBO. Consider the below examples.

¹⁵ In a no-bid scenario for buy orders, the NBB will be considered as zero and the Benchmark Price will be calculated accordingly. In a no-offer scenario for sell orders, the NBO will not be used; the Benchmark Price will use the less aggressive of the last trade price or the NBB plus the buffer amount determined by the Exchange on a class-by-class basis.

¹⁶ If last trade price is worse than the NBO (NBB) it will not be used as a possible Benchmark Price.

Example #1, Demonstrating Eligibility of a Stop-Limit Order for Wide Market Protection

In this example, a buy Stop-Limit order is triggered, the NBBO after the triggering event is determined to be wide, and the limit price is more than a buffer amount above the NBB. Under the proposed rules, the order will be paused at the Benchmark Price and begin drill-through iteration. Assume for purposes of this example, the market will be considered wide pursuant to proposed Rule 21.17(a)(8)(A)(i) if the width of the NBBO for the series is equal to or greater than \$1.50. Further assume for this example, the buffer amount to determine limit order eligibility based on price is 80% of the width of NBBO.

Order 1: Stop-Limit Buy 5 contracts @ 3.33, Stop Price = \$2.30

MM1 Quote: 5 @ 1.95 × 5 @ 3.65

MM2 Quote: 5 @ 1.95 × 5 @ 2.30 (NBBO, not wide)

Order 2: Buy 5 @ 2.30

Order 2 trades with MM2 Quote at 2.30; as a result, Order 1 is elected.

The resulting NBBO after the triggering event is 1.95×3.65 (i.e., NBBO width equal to \$1.70), which is considered wide, and Order 1 is triggered with a limit price of \$3.33, which is greater than the Exchange-determined buffer amount above the NBB (i.e., NBB of $1.95 + (\text{NBBO width of } 1.70 \times 0.80 \text{ buffer}) = 3.31$). Thus, Order 1 is subject to the wide market protection mechanism.

Example #2, Demonstrating Determination of Benchmark Price

In this example, a buy Stop (Stop-Loss) order is triggered by a quote, the NBBO after the triggering event is determined to be wide, and the price is more than a buffer amount above the NBB. Under the proposed rules, the order will be paused at the Benchmark Price and begin drill-through iteration. Assume for purposes of this example, the market will be considered wide pursuant to proposed Rule 21.17(a)(8)(A)(i) if the width of the NBBO for the series is equal to or greater than \$1.50. Further assume for this example, the buffer amount to determine the order eligibility based on price is 80% of the width of NBBO and the buffer amount used in determining Benchmark Price is 0.75.

Order 1: Stop (Stop-Loss) Buy 5 @ 3.40, Stop Price = \$2.00

MM1 Quote: 5 @ 1.95 × 5 @ 3.75

MM2 Quote: 5 @ 1.95 × 5 @ 2.30 (NBBO, not wide)

Order 2: Buy 5 @ 2.30

Order 2 trades with MM2 Quote at 2.30; as a result, Order 1 is elected.

The resulting NBBO after the triggering event is 1.95×3.75 (i.e., NBBO width equal to \$1.80), which is considered wide, and Order 1 is triggered with a price of \$3.40, which is greater than the Exchange-determined buffer amount above the NBB (i.e., NBB of $1.95 + (\text{NBBO width of } 1.80 \times 0.80 \text{ buffer}) = 3.39$). Thus, Order 1 is subject to the wide market protection mechanism. The Benchmark Price is 2.30, determined as the least aggressive of:

- *The NBB (1.95) plus a buffer amount determined by the Exchange on a class and premium basis (0.75): 2.70*
- *Last Trade Price: 2.30*
- *The midpoint of the then-current NBBO: 2.85*

Thus, executions of Order 1 up to \$2.30 will be considered the initial drill-through iteration, as the order becomes subject to the Drill-Through Price protection mechanism under Rule 21.17(a)(4)(C).

The Exchange proposes to add Rule 21.17(a)(8)(B) to specify that the wide market protection mechanism applies during all trading sessions, except for a pre-determined amount of time prior to the close of the Regular Trading Hours (“RTH”)¹⁷ trading session (such time will be determined by the Exchange).¹⁸ This provides a final opportunity for market participants to utilize Stop (Stop-Loss) and Stop-Limit orders to exit positions if desired at the end of the trading session, in order to avoid unintended overnight risk.¹⁹

The Exchange proposes to add Rule 21.17(a)(8)(C), which states that if an order would initiate the wide market protection while the drill-through process in the applicable series is in progress pursuant to Rule 21.17(a)(4), then the System does not initiate the wide market protection and instead the order would join the ongoing drill-through as set forth in Rule 21.17(a)(4)(C)(iv). The Exchange also proposes to add Rule 21.17(a)(8)(D) to exclude bulk messages, Intermarket Sweep Orders (“ISOs”), Immediate-or-Cancel orders (“IOCs”), and M and N capacity orders from the wide market

¹⁷ “Regular Trading Hours” means the time between 9:30 a.m. and 4:00 p.m. Eastern Time. See Rule 1.5(y).

¹⁸ During this time, the drill-through process will not be initiated by the wide market protection mechanism but may still apply pursuant to Rule 21.17(a)(4). The Exchange further notes that GTH trading is not currently enabled.

¹⁹ The Exchange notes that Rule 20.6(c), Obvious Errors, will continue to apply as it does today; there are no changes to the Obvious Error rules as a result of the proposed rule change.

protection mechanism; and to note that the Exchange may apply the wide market protection on a class-by-class basis.

The Exchange also proposes to amend Rule 21.17(a)(5)(A)(ii) to exclude from the current protections for market orders in no-bid series certain orders that would be otherwise subject to wide market protection under the proposed rule changes. Currently, under Rule 21.17(a)(5)(A)(ii), if the System receives a sell market order in a series after it is open for trading with an NBB of zero, and the NBO in the series is greater than \$0.50, the System cancels or rejects the market order, except if a drill-through process (described in subparagraph (a)(4)) is in progress for sell orders in the series and the sell market order would be subject to the drill-through protection, then the order joins the ongoing drill-through process in the then-current iteration and at the then-current Drill-Through Price, regardless of NBBO. The Exchange proposes to amend Rule 21.17(a)(5)(A)(ii) to note that in the event the System receives a sell market order in a series after it is open for trading with an NBB of zero and the NBO in the series is greater than \$0.50, if the order is subject to wide market protection pursuant to proposed subparagraph (a)(8), then the order enters the EDGX Book and is displayed at the Benchmark Price for an Exchange determined-amount of time (this time period will be considered the first drill-through iteration pursuant to subparagraph (a)(4)), with any remaining size continuing the drill-through process pursuant to subparagraph (a)(4).

Finally, the Exchange proposes to amend Rule 21.17(a)(5)(B) to exclude from the current protections for market orders in no-offer series certain orders that would be otherwise subject to wide market protection under the proposed rule changes or drill-through protections pursuant to current Rule 21.17(a)(4). Currently under Rule 21.17(a)(5)(B), if the System receives a buy market order in a series after it is open for trading with an NBO of zero, the System cancels or rejects the market order. The Exchange proposes to amend Rule 21.17(a)(5)(B) to note that in the event the System receives a buy market order in a series after it is open for trading with an NBO of zero, if the order is subject to wide market protection pursuant to proposed subparagraph (a)(5), then the order enters the EDGX Book and is displayed at the Benchmark Price for an Exchange determined-amount of time (this time period will be considered the first drill-through iteration pursuant to subparagraph

(a)(4)), with any remaining size continuing the drill-through process pursuant to subparagraph (a)(4); or if a drill-through process (described in current subparagraph (a)(4)) is in progress for buy orders in the series and the buy market order would be subject to the drill-through protection, then the order joins the ongoing drill-through process in the then-current iteration and at the then-current Drill-Through Price, regardless of NBBO.

2. Statutory Basis

The Exchange believes the proposed rule change is consistent with the Securities Exchange Act of 1934 (the “Act”) and the rules and regulations thereunder applicable to the Exchange and, in particular, the requirements of Section 6(b) of the Act.²⁰ Specifically, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)²¹ requirements that the rules of an exchange be designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in securities, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general, to protect investors and the public interest. Additionally, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)²² requirement that the rules of an exchange not be designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

In particular, the Exchange believes the proposed rule change to implement a wide market protection mechanism will remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general, protect investors, because it will provide applicable orders with additional and consistent execution opportunities and price protections. As noted above, the wide market protection mechanism is effectively an extension of the Exchange’s current Drill-Through Price protection, of which the primary purpose is to prevent orders from executing at prices “too far away” from the market when they enter the EDGX Book for potential execution. The Exchange believes the proposed rule change is consistent with this purpose, because Users who submit applicable

orders or have orders triggered in markets that are wider than expected, possibly due to wide quotes or orders removing liquidity in rapid succession, will receive price protection against execution at potentially extreme or adverse prices and additional execution opportunities.

Further, the proposed rule change to leverage the existing iterative drill-through protection mechanism for certain orders when the NBBO is considered “wide” allows these orders to receive the same level of price protection as other orders otherwise subject to the drill-through process. The proposed rule change will allow orders in wide markets additional execution opportunities while continuing to protect them against execution at potentially extreme prices, by providing the opportunity for execution at reasonable prices by allowing for liquidity replenishment that may result in more aggressive prices, especially during times when liquidity may require additional time to replenish, such as near the beginning of a trading session.

The Exchange believes the proposal will enhance risk protections, the individual firm benefits of which flow downstream to counterparties both at the Exchange and at other options exchanges, which increases systemic protections as well. The Exchange believes enhancing risk protections will allow Users to enter orders, including Stop (Stop-Loss) and Stop-Limit orders, and quotes with further reduced fear of inadvertent exposure to excessive risk, which will benefit investors through increased exposure to liquidity for the execution of their orders.

The Exchange also believes the proposed changes regarding the application of the wide market protection mechanism during Exchange trading sessions will protect investors, as the proposed application allows market participants a final opportunity to utilize Stop (Stop-Loss) and Stop-Limit orders to exit positions if desired at the end of the relevant trading session, in order to avoid unintended overnight risk. Further, the proposed changes add transparency to the rules regarding the wide market protection functionality and provide greater certainty as to the application of the process.

Additionally, the Exchange believes changes to specifically exclude bulk messages, ISOs, and IOCs from the wide market protection mechanism (similar to the Drill-Through Price protection mechanism) are reasonable and appropriate, given the iterative pricing process would be inconsistent with the

²⁰ 15 U.S.C. 78f(b).

²¹ 15 U.S.C. 78f(b)(5).

²² *Id.*

orders instruction (and thus the user's intent). The proposed change to exclude all M and N capacity orders is designed to ensure consistency across all potential types of Market-Maker orders. The Exchange believes the proposed change to exclude all M and N capacity orders from the wide market protection is reasonable, as Market-Makers are positioned to observe and subsequently address wide market scenarios, by tightening the NBBO with an order or quote.

The Exchange also believes the proposed change to clarify that the System will not initiate the wide market protection while a drill-through process in the applicable series is in progress is reasonable, as it will bring transparency and clarity to the rulebook regarding how the wide market protection mechanism interacts with the Drill-Through Price protection mechanism, to the benefit of investors. This proposed change is consistent with current drill-through functionality, where incoming orders that enter the EDGX Book while the drill-through is in progress and that would be subject to the drill-through protection join the on-going drill-through process.²³

Additionally, the Exchange believes changes to specifically exclude from the current protections for market orders in no-bid (offer) series certain orders that would otherwise be subject to wide market protection will remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general, protect investors. Specifically, the Exchange believes the change to exclude from the current protections for market orders in no-bid (offer) series certain orders that would otherwise be subject to wide market protection may allow opportunity for execution than if they were immediately canceled or rejected. This proposed rule change may increase execution opportunities for Users that submit sell market orders with an NBB of zero when the NBO in the series is greater than \$0.50 (in the case of market orders in no-bid series protections) or buy market orders with an NBO of zero while still providing protection against executions at potentially erroneous prices. Similarly, the Exchange believes the change to allow buy market orders received by the System when the NBO is zero to be subject to the drill-through process is reasonable, as it may allow opportunity for execution of such orders, rather than if they were immediately canceled or rejected. This change aligns market order in no-bid (offer) series protection

for Users that submit sell market orders with an NBB of zero when the NBO in the series is greater than \$0.50 (in the case of market orders in no-bid series protections) with how the Exchange will handle buy market orders with an NBO of zero.

Finally, the Exchange believes the proposed change to apply the wide market protection on a class-by-class basis is reasonable, as classes may have different trading characteristics or may be affected differently by market conditions. The proposal will provide the Exchange with flexibility to apply wide market protections in a manner which accounts for material differences across option classes, thereby enhancing investor protection while minimizing unnecessary market disruption. Further, the Exchange believes the proposed changes are not unfairly discriminatory, as wide market protection applies uniformly to all market participants within each class. This approach is consistent with the Exchange's existing practice of applying certain other order and quote price protection and risk controls, such as the limit order fat finger check for simple orders,²⁴ on a class-by-class basis where product characteristics warrant differential treatment in regard to risk protections.

B. Self-Regulatory Organization's Statement on Burden on Competition

The Exchange does not believe that the proposed rule change will impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. The Exchange does not believe that the proposed rule change will impose any burden on intramarket competition that is not necessary or appropriate in furtherance of the purposes of the Act because the wide market protection functionality will apply to all applicable orders in a class in the same manner. Additionally, it will provide the same price protection and execution opportunities to relevant orders that are currently provided to orders that are subject to the Drill-Through Price protection process, as the wide market protection mechanism is effectively an extension of the Exchange's current Drill-Through Price protection. As noted above, the Exchange believes it is not unfairly discriminatory to apply this protection on a class-by-class basis, as wide market protection applies uniformly to all market participants within each class. This approach is consistent with the Exchange's existing practice of applying certain other order and quote price protection and risk

controls, such as the limit order fat finger check for simple orders,²⁵ on a class-by-class basis where product characteristics warrant differential treatment in regard to risk protections.

The Exchange does not believe that the proposed rule change will impose any burden on intermarket competition that is not necessary or appropriate in furtherance of the purposes of the Act, as the proposed rule change relates specifically to price protections offered on the Exchange and how the System handles orders as part of these price protection mechanisms. The proposed wide market protection mechanism expands the current Drill-Through Price protection mechanism and provides relevant orders with improved protection against execution at potentially extreme or adverse prices through Drill-Through Price protection.

The Exchange believes the proposed rule change would ultimately provide all market participants with additional execution opportunities when appropriate while providing protection from extreme or adverse execution. The Exchange believes the proposal will enhance risk protections, the individual firm benefits of which flow downstream to counterparties both at the Exchange and at other options exchanges, which increases systemic protections as well. The Exchange believes enhancing risk protections will allow Users to enter orders, including Stop (Stop-Loss) and Stop-Limit orders, and quotes with further reduced fear of inadvertent exposure to excessive risk, which will benefit investors through increased exposure to liquidity for the execution of their orders. Without adequate risk management tools, Trading Permit Holders could reduce the amount of order flow and liquidity they provide. Such actions may undermine the quality of the markets available to customers and other market participants. Accordingly, the proposed rule change is designed to encourage Trading Permit Holders to submit additional order flow and liquidity to the Exchange. The proposed change may similarly provide additional execution opportunities, which further benefits liquidity, especially during times when liquidity may require additional time to replenish, such as near the beginning of a trading session. Additionally, as discussed above, the Exchange's affiliated exchange, Cboe Exchange, recently implemented rule changes adopting a substantially similar wide market protection mechanism.²⁶ Thus,

²⁵ See Rule 21.17(a)(2).

²⁶ See Securities Exchange Act Release No. 34-104245 (November 24, 2025), 90 FR 54806

²³ See Rule 21.17(a)(4)(C)(iv).

²⁴ See Rule 21.17(a)(2).

the proposed rule change will also align the rules of the Exchange with that of its affiliated exchange, Cboe Exchange.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others

The Exchange neither solicited nor received comments on the proposed rule change.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

The Exchange has filed the proposed rule change pursuant to Section 19(b)(3)(A) of the Act²⁷ and Rule 19b-4(f)(6)²⁸ thereunder. Because the foregoing proposed rule change does not: (i) significantly affect the protection of investors or the public interest; (ii) impose any significant burden on competition; and (iii) become operative for 30 days from the date on which it was filed, or such shorter time as the Commission may designate, it has become effective pursuant to Section 19(b)(3)(A) of the Act²⁹ and Rule 19b-4(f)(6)³⁰ thereunder.

At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission shall institute proceedings to determine whether the proposed rule should be approved or disapproved.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

(November 28, 2025) (SR-CBOE-2025-081). See also Securities Exchange Act Release No. 34-104435 (December 17, 2025), 90 FR 59890 (December 22, 2025) (SR-CBOE-2025-091).

²⁷ 15 U.S.C. 78s(b)(3)(A).

²⁸ 17 CFR 240.19b-4(f)(6).

²⁹ 15 U.S.C. 78s(b)(3)(A).

³⁰ 17 CFR 240.19b-4(f)(6). In addition, Rule 19b-4(f)(6) requires a self-regulatory organization to give the Commission written notice of its intent to file the proposed rule change, along with a brief description and text of the proposed rule change, at least five business days prior to the date of filing of the proposed rule change, or such shorter time as designated by the Commission. The Exchange has satisfied this requirement.

Electronic Comments

- Use the Commission's internet comment form (<https://www.sec.gov/rules/sro.shtml>); or
- Send an email to rule-comments@sec.gov. Please include file number SR-CboeEDGX-2026-023 on the subject line.

Paper Comments

- Send paper comments in triplicate to Secretary, Securities and Exchange Commission, 100 F Street NE, Washington, DC 20549-1090.

All submissions should refer to file number SR-CboeEDGX-2026-023. 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 website (<https://www.sec.gov/rules/sro.shtml>). Copies of the filing will be available for inspection and copying at the principal office of the Exchange. Do not include personal identifiable information in submissions; you should submit only information that you wish to make available publicly. We may redact in part or withhold entirely from publication submitted material that is obscene or subject to copyright protection. All submissions should refer to file number SR-CboeEDGX-2026-023 and should be submitted on or before May 15, 2026.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.³¹

Sherry R. Haywood,
Assistant Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-105281; File No. SR-C2-2026-007]

Self-Regulatory Organizations; Cboe C2 Exchange, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Amend Rule 5.34 To Adopt a Wide Market Protection Mechanism Designed To Reduce the Risk of Orders Executing at Extreme or Adverse Prices When the National Best Bid and Offer ("NBBO") Is Determined To Be Wide

April 21, 2026.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the

"Act"),¹ and Rule 19b-4 thereunder,² notice is hereby given that on April 10, 2026, Cboe C2 Exchange, Inc. ("Exchange" or "C2") filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Items I and II below, which Items have been prepared by the Exchange. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

Cboe C2 Exchange, Inc. (the "Exchange" or "C2") proposes to amend Rule 5.34 to adopt a wide market protection mechanism designed to reduce the risk of orders executing at extreme or adverse prices when the national best bid and offer ("NBBO") is determined to be wide. The text of the proposed rule change is provided in Exhibit 5.

The text of the proposed rule change is also available on the Commission's website (<https://www.sec.gov/rules/sro.shtml>), the Exchange's website (https://www.cboe.com/us/options/regulation/rule_filings/bzx/), and at the principal office of the Exchange.

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

In its filing with the Commission, the Exchange included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The Exchange has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of such statements.

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

1. Purpose

The purpose of this rule filing is to amend Rule 5.34(a), Order and Quote Price Protection Mechanisms and Risk Controls (Simple Orders), to adopt a wide market protection mechanism designed to reduce the risk of orders executing at extreme or adverse prices when the NBBO is determined to be

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³¹ 17 CFR 200.30-3(a)(12).

wide.³ The Exchange notes that its affiliated exchange, Cboe Exchange, Inc. (hereinafter “C1” or Cboe Exchange”), recently implemented rule changes adopting a substantially similar wide market protection mechanism.⁴ The proposed wide market protection mechanism, similar to that implemented by Cboe Exchange, will leverage the existing iterative drill-through protection mechanism for certain orders when the NBBO is wide and will initiate a drill-through pause on applicable inbound market or limit orders or elected Stop (Stop-Loss)⁵ or Stop-Limit⁶ orders which would either execute or post to the Book⁷ at potentially extreme prices.

Drill-through price protection is currently described in Exchange Rule 5.34(a)(4). Under Rule 5.34(a)(4)(A), if a buy (sell) order enters the Book at the

conclusion of the opening auction process or would execute or post to the Book when it enters the Book, the System⁸ executes the order up (down) to a buffer amount (the Exchange determines the buffer amount on a class and premium basis) above (below) the offer (bid) limit of the Opening Collar⁹ or the National Best Offer (“NBO”) (National Best Bid (“NBB”)) that existed at the time of order entry, respectively (the “drill-through price”).¹⁰

Rule 5.34(a)(4)(C) establishes an iterative drill-through process, whereby orders will rest in the Book for multiple time periods and at more aggressive displayed prices during each time period.¹¹ Specifically, for a market order with a Time-in-Force of Day or a limit order (or unexecuted portion) with a Time-in-Force of Day, Good-till-Cancelled (“GTC”), or Good-till-Date (“GTD”), the System enters the order in the Book with a displayed price equal to the drill-through price. The order (or unexecuted portion) will rest in the Book at the drill-through price for the duration of consecutive time periods (the Exchange determines on a class-by-class basis the length of the time period in milliseconds, which may not exceed three seconds) (each time period is referred to as an “iteration”).¹² Following the end of each period, the System adds (if a buy order) or subtracts (if a sell order) one buffer amount (the Exchange determines the buffer amount on a class-by-class basis) to the drill-through price displayed during the immediately preceding period (each new price becomes the “drill-through price”).¹³ The order (or unexecuted portion) rests in the Book at that new drill-through price for the duration of the subsequent period. The System applies a timestamp to the order (or unexecuted portion) based on the time it enters or is re-priced in the Book for priority reasons. The order continues through this iterative process until the earliest of the following to occur: (a) the order fully executes; (b) the User¹⁴ cancels the order; or (c) the buy (sell)

order’s limit price equals or is less (greater) than the drill-through price at any time during application of the drill-through mechanism, in which case the order rests in the Book at its limit price, subject to a User’s instructions.

Currently, there are common scenarios in which certain orders are trading at prices that are, for reasons described below, artificially wide. For example, certain trading strategies result in a significant number of simple Stop (Stop-Loss) and Stop-Limit orders resting in the Book and then being triggered simultaneously by a common event. The receipt of large quantities of market and limit orders on the same side of a series results in rapid removal of liquidity without opportunity for replenishment (and potential related triggers of risk protections). This results in potentially extreme or adverse execution prices as risk is re-evaluated by Market-Makers and quotes are replenished, typically within seconds of the start of the triggering event. Additionally, the Exchange has observed an increase in resting Stop (Stop-Loss) or Stop-Limit orders that are simultaneously triggered around the opening of the relevant trading session and trading at extremely wide price levels, up to Obvious Error prices. Similarly, Stop (Stop-Loss) and Stop-Limit orders may be triggered on a trade (rather than an NBBO update) that exhausts liquidity, causing the triggered order(s) to execute at the next available bid/offer, which may be at an extreme level, rather than affording the order the benefit of drill-through price protection by displaying the order at the price of the triggering trade and iterating from there.

The Exchange now proposes rule changes designed to prevent trades at extreme or adverse price levels in such scenarios, when quotes are wide or when orders are removing liquidity in rapid succession. The Exchange proposes to amend Rule 5.34 to add a wide market protection mechanism that will leverage the existing iterative drill-through protection mechanism for certain orders when the NBBO is considered “wide” and will initiate a drill-through pause on applicable near-marketable inbound market or limit orders or elected Stop (Stop-Loss) or Stop-Limit orders which would either execute or post to the Book at potentially extreme or adverse prices.

Specifically, the Exchange proposes to add new Rule 5.34(a)(6) to establish a wide market protection mechanism. Under proposed Rule 5.34(a)(6)(A), if (i) when the NBBO is “wide,” the System receives a buy (sell) order with a price that is more than a buffer amount above

³ The Exchange notes it currently has a Market Order NBBO Width Protection Mechanism set forth in Rule 5.34(a)(2); the proposed rule change does not result in changes to the Market Order NBBO Width Protection Mechanism, which is infrequently triggered. In general, the current Market Order NBBO Width Protection Mechanism applies when the NBBO is significantly wider than will be considered under the proposed wide market protection mechanism. Further, the Market Order NBBO Width Protection is applicable only to market orders and does not apply to Stop (Stop-Loss) orders. The proposed wide market protection mechanism is applicable to market and limit orders (subject to certain exceptions), and is intended to “catch” more orders. Unlike the Market Order NBBO Width Protection Mechanism, which cancels orders too far outside the NBBO, the proposed mechanism will trigger the drill-through process for applicable orders and thus provide additional execution opportunities.

⁴ See Securities Exchange Act Release No. 34–104245 (November 24, 2025), 90 FR 54806 (November 28, 2025) (SR–CBOE–2025–081) (amending Cboe Exchange Rule 5.34 to adopt a wide market protection mechanism). See also Securities Exchange Act Release No. 34–104435 (December 17, 2025), 90 FR 59890 (December 22, 2025) (SR–CBOE–2025–091) (amending Cboe Exchange Rule 5.34 to exclude all M and N capacity orders from the wide market protection mechanism).

⁵ A “Stop (Stop-Loss)” order is an order to buy (sell) that becomes a market order when the consolidated last sale price (excluding prices from complex order trades if outside of the NBBO) or NBB (NBO) for a particular option contract is equal to or above (below) the stop price specified by the User. Users may not designate a Stop Order as All Sessions. Users may not designate bulk messages as Stop Orders. See Rule 5.6(c) (definition of “Stop (Stop-Loss)” order).

⁶ A “Stop-Limit” order is an order to buy (sell) that becomes a limit order when the consolidated last sale price (excluding prices from complex order trades if outside the NBBO) or NBB (NBO) for a particular option contract is equal to or above (below) the stop price specified by the User. A User may not designate a Stop-Limit Order as All Sessions. Users may not designate bulk messages as Stop-Limit Orders. See Rule 5.6(c) (definition of “Stop-Limit” order).

⁷ “Book” means the electronic book of simple orders and quotes maintained by the System on which orders and quotes may execute during the applicable trading session. See Rule 1.1 (definition of, “Book”).

⁸ “System” means the automated trading system the Exchange uses for the trading of option contracts. See Rule 1.1 (definition of, “System”).

⁹ See Rule 5.31(a) for the definition of Opening Collars.

¹⁰ See Rule 5.34(a)(4)(A).

¹¹ The Exchange will announce to Trading Permit Holders the buffer amount and the length of the time periods in accordance with Rule 1.5. The Exchange notes that each time period will be the same length (as designated by the Exchange), and the buffer amount applied for each time period will be the same.

¹² See Rule 5.34(a)(4)(C).

¹³ See Rule 5.34(a)(4)(C).

¹⁴ The term “User” shall mean any Trading Permit Holder or Sponsored User who is authorized to obtain access to the System pursuant to Rule 5.5.

(below) the NBB (NBO) or (ii) a Stop (Stop-Loss) or Stop-Limit buy (sell) order is triggered and is priced more than a buffer amount above (below) the NBB (NBO) and the NBBO after the triggering event is “wide,” the order enters the Book and is displayed at the Benchmark Price for an Exchange determined-amount of time (this time period will be considered the first drill-through iteration pursuant to Rule 5.34(a)(4)). If the order does not execute or there is any remaining size of the order following a partial execution, the order will continue the drill-through process pursuant to Rule 5.34(a)(4).

As set forth in proposed Rule 5.34(a)(6)(A), for purposes of the proposed subparagraph (6), the NBBO is “wide” if there is no NBO or the width of the NBBO for the series is equal to or greater than an amount the Exchange determines on a class-by-class basis and which is applied based on the NBB. Further, for a buy (sell) order, the Benchmark Price is the least aggressive price of (1) the NBB (NBO) plus (minus) a buffer amount determined by the Exchange on a class and premium basis;¹⁵ (2) the last trade price, if greater (less) than or equal to the NBB (NBO);¹⁶ or (3) the midpoint of the then-current NBBO. Consider the below examples.

Example #1, Demonstrating Eligibility of a Stop-Limit Order for Wide Market Protection

In this example, a buy Stop-Limit order is triggered, the NBBO after the triggering event is determined to be wide, and the limit price is more than a buffer amount above the NBB. Under the proposed rules, the order will be paused at the Benchmark Price and begin drill-through iteration. Assume for purposes of this example, the market will be considered wide pursuant to proposed Rule 5.34(a)(6)(A)(i) if the width of the NBBO for the series is equal to or greater than \$1.50. Further assume for this example, the buffer amount to determine limit order eligibility based on price is 80% of the width of NBBO.

Order 1: Stop-Limit Buy 5 contracts @ 3.33, Stop Price = \$2.30
MM1 Quote: 5 @ 1.95 × 5 @ 3.65
MM2 Quote: 5 @ 1.95 × 5 @ 2.30 (NBBO, not wide)

¹⁵ In a no-bid scenario for buy orders, the NBB will be considered as zero and the Benchmark Price will be calculated accordingly. In a no-offer scenario for sell orders, the NBO will not be used; the Benchmark Price will use the less aggressive of the last trade price or the NBB plus the buffer amount determined by the Exchange on a class-by-class basis.

¹⁶ If last trade price is worse than the NBO (NBB) it will not be used as a possible Benchmark Price.

Order 2: Buy 5 @ 2.30

Order 2 trades with MM2 Quote at 2.30; as a result, Order 1 is elected.

The resulting NBBO after the triggering event is 1.95×3.65 (i.e., NBBO width equal to \$1.70), which is considered wide, and Order 1 is triggered with a limit price of \$3.33, which is greater than the Exchange-determined buffer amount above the NBB (i.e., NBB of $1.95 + (\text{NBBO width of } 1.70 \times 0.80 \text{ buffer}) = 3.31$). Thus, Order 1 is subject to the wide market protection mechanism.

Example #2, Demonstrating Determination of Benchmark Price

In this example, a buy Stop (Stop-Loss) order is triggered by a quote, the NBBO after the triggering event is determined to be wide, and the price is more than a buffer amount above the NBB. Under the proposed rules, the order will be paused at the Benchmark Price and begin drill-through iteration. Assume for purposes of this example, the market will be considered wide pursuant to proposed Rule 5.34(a)(6)(A)(i) if the width of the NBBO for the series is equal to or greater than \$1.50. Further assume for this example, the buffer amount to determine the order eligibility based on price is 80% of the width of NBBO and the buffer amount used in determining Benchmark Price is 0.75.

Order 1: Stop (Stop-Loss) Buy 5 @ 3.40, Stop Price = \$2.00

MM1 Quote: 5 @ 1.95 × 5 @ 3.75

MM2 Quote: 5 @ 1.95 × 5 @ 2.30 (NBBO, not wide)

Order 2: Buy 5 @ 2.30

Order 2 trades with MM2 Quote at 2.30; as a result, Order 1 is elected.

The resulting NBBO after the triggering event is 1.95×3.75 (i.e., NBBO width equal to \$1.80), which is considered wide, and Order 1 is triggered with a price of \$3.40, which is greater than the Exchange-determined buffer amount above the NBB (i.e., NBB of $1.95 + (\text{NBBO width of } 1.80 \times 0.80 \text{ buffer}) = 3.39$). Thus, Order 1 is subject to the wide market protection mechanism. The Benchmark Price is 2.30, determined as the least aggressive of:

- *The NBB (1.95) plus a buffer amount determined by the Exchange on a class and premium basis (0.75): 2.70.*
- *Last Trade Price: 2.30.*
- *The midpoint of the then-current NBBO: 2.85.*

Thus, executions of Order 1 up to \$2.30 will be considered the initial drill-through iteration, as the order becomes subject to the drill-through price protection mechanism under Rule 5.34(a)(4)(C).

The Exchange proposes to add Rule 5.34(a)(6)(B) to specify that the wide market protection mechanism applies during all trading sessions, except for a pre-determined amount of time prior to the close of the Regular Trading Hours (“RTH”)¹⁷ trading session (such time will be determined by the Exchange).¹⁸ This provides a final opportunity for market participants to utilize Stop (Stop-Loss) and Stop-Limit orders to exit positions if desired at the end of the trading session, in order to avoid unintended overnight risk.¹⁹

The Exchange proposes to add Rule 5.34(a)(6)(C), which states that if an order would initiate the wide market protection while the drill-through process in the applicable series is in progress pursuant to Rule 5.34(a)(4), then the System does not initiate the wide market protection and instead the order would join the ongoing drill-through as set forth in Rule 5.34(a)(4)(C)(iv). The Exchange also proposes to add Rule 5.34(a)(6)(D) to exclude bulk messages, Intermarket Sweep Orders (“ISOs”), Immediate-or-Cancel orders (“IOCs”), and M and N capacity²⁰ orders from the wide market protection mechanism; and to note that the Exchange may apply the wide market protection on a class-by-class basis.

The Exchange also proposes to amend Rule 5.34(a)(1)(A)(ii)²¹ to exclude from the current protections for market orders in no-bid series certain orders that would be otherwise subject to wide market protection under the proposed rule changes. Currently, under Rule 5.34(a)(1)(A)(ii), if the System receives a sell market order in a series after it is open for trading with an NBB of zero, and the NBO in the series is greater than \$0.50, the System cancels or rejects the market order, except if a drill-through

¹⁷ RTH for transactions in equity options (including options on individual stocks, ETFs, ETNs, and other securities) are the normal business days and hours set forth in the rules of the primary market currently trading the securities underlying the options, except for options on ETFs, ETNs, Index Portfolio Shares, Index Portfolio Receipts, and Trust Issued Receipts the Exchange designates to remain open for trading beyond 4:00 p.m. Eastern Time (ET) but in no case later than 4:15 p.m. ET. RTH for transactions in index options are from 9:30 a.m. to 4:15 p.m. ET, subject to certain exceptions.

¹⁸ During this time, the drill-through process will not be initiated by the wide market protection mechanism but may still apply pursuant to Rule 5.34(a)(4). The Exchange further notes that GTH trading is not currently enabled.

¹⁹ The Exchange notes that Rule 6.5(c), Obvious Errors, will continue to apply as it does today; there are no changes to the Obvious Error rules as a result of the proposed rule change.

²⁰ See Rule 1.1 (definition of “Capacity”).

²¹ The Exchange also proposes a non-substantive change to correct a typographical error within Rule 5.34(a)(1)(A)(ii), to change “expect” to “except.”

process (described in subparagraph (a)(4)) is in progress for sell orders in the series and the sell market order would be subject to the drill-through protection, then the order joins the ongoing drill-through process in the then-current iteration and at the then-current drill-through price, regardless of NBBO. The Exchange proposes to amend Rule 5.34(a)(1)(A)(ii) to note that in the event the System receives a sell market order in a series after it is open for trading with an NBB of zero and the NBO in the series is greater than \$0.50, if the order is subject to wide market protection pursuant to proposed subparagraph (a)(6), then the order enters the Book and is displayed at the Benchmark Price for an Exchange determined-amount of time (this time period will be considered the first drill-through iteration pursuant to subparagraph (a)(4)), with any remaining size continuing the drill-through process pursuant to subparagraph (a)(4).

Finally, the Exchange proposes to amend Rule 5.34(a)(1)(B) to exclude from the current protections for market orders in no-offer series certain orders that would be otherwise subject to wide market protection under the proposed rule changes or drill-through protections pursuant to current Rule 5.34(a)(4). Currently under Rule 5.34(a)(1)(B), if the System receives a buy market order in a series after it is open for trading with an NBO of zero, the System cancels or rejects the market order. The Exchange proposes to amend Rule 5.34(a)(1)(B) to note that in the event the System receives a buy market order in a series after it is open for trading with an NBO of zero, if the order is subject to wide market protection pursuant to proposed subparagraph (a)(5), then the order enters the Book and is displayed at the Benchmark Price for an Exchange determined-amount of time (this time period will be considered the first drill-through iteration pursuant to subparagraph (a)(4)), with any remaining size continuing the drill-through process pursuant to subparagraph (a)(4); or if a drill-through process (described in current subparagraph (a)(4)) is in progress for buy orders in the series and the buy market order would be subject to the drill-through protection, then the order joins the ongoing drill-through process in the then-current iteration and at the then-current drill-through price, regardless of NBBO.

2. Statutory Basis

The Exchange believes the proposed rule change is consistent with the Securities Exchange Act of 1934 (the

“Act”) and the rules and regulations thereunder applicable to the Exchange and, in particular, the requirements of Section 6(b) of the Act.²² Specifically, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)²³ requirements that the rules of an exchange be designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in securities, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general, to protect investors and the public interest. Additionally, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)²⁴ requirement that the rules of an exchange not be designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

In particular, the Exchange believes the proposed rule change to implement a wide market protection mechanism will remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general, protect investors, because it will provide applicable orders with additional and consistent execution opportunities and price protections. As noted above, the wide market protection mechanism is effectively an extension of the Exchange’s current drill-through price protection, of which the primary purpose is to prevent orders from executing at prices “too far away” from the market when they enter the Book for potential execution. The Exchange believes the proposed rule change is consistent with this purpose, because Users who submit applicable orders or have orders triggered in markets that are wider than expected, possibly due to wide quotes or orders removing liquidity in rapid succession, will receive price protection against execution at potentially extreme or adverse prices and additional execution opportunities.

Further, the proposed rule change to leverage the existing iterative drill-through protection mechanism for certain orders when the NBBO is considered “wide” allows these orders to receive the same level of price protection as other orders otherwise subject to the drill-through process. The proposed rule change will allow orders

in wide markets additional execution opportunities while continuing to protect them against execution at potentially extreme prices, by providing the opportunity for execution at reasonable prices by allowing for liquidity replenishment that may result in more aggressive prices, especially during times when liquidity may require additional time to replenish, such as near the beginning of a trading session.

The Exchange believes the proposal will enhance risk protections, the individual firm benefits of which flow downstream to counterparties both at the Exchange and at other options exchanges, which increases systemic protections as well. The Exchange believes enhancing risk protections will allow Users to enter orders, including Stop (Stop-Loss) and Stop-Limit orders, and quotes with further reduced fear of inadvertent exposure to excessive risk, which will benefit investors through increased exposure to liquidity for the execution of their orders.

The Exchange also believes the proposed changes regarding the application of the wide market protection mechanism during Exchange trading sessions will protect investors, as the proposed application allows market participants a final opportunity to utilize Stop (Stop-Loss) and Stop-Limit orders to exit positions if desired at the end of the relevant trading session, in order to avoid unintended overnight risk. Further, the proposed changes add transparency to the rules regarding the wide market protection functionality and provide greater certainty as to the application of the process.

Additionally, the Exchange believes changes to specifically exclude bulk messages, ISOs, and IOCs from the wide market protection mechanism (similar to the drill-through price protection mechanism) are reasonable and appropriate, given the iterative pricing process would be inconsistent with the orders instruction (and thus the user’s intent). The proposed change to exclude all M and N capacity orders is designed to ensure consistency across all potential types of Market-Maker orders. The Exchange believes the proposed change to exclude all M and N capacity orders from the wide market protection is reasonable, as Market-Makers are positioned to observe and subsequently address wide market scenarios, by tightening the NBBO with an order or quote.

The Exchange also believes the proposed change to clarify that the System will not initiate the wide market protection while a drill-through process

²² 15 U.S.C. 78f(b).

²³ 15 U.S.C. 78f(b)(5).

²⁴ *Id.*

in the applicable series is in progress is reasonable, as it will bring transparency and clarity to the rulebook regarding how the wide market protection mechanism interacts with the drill-through price protection mechanism, to the benefit of investors. This proposed change is consistent with current drill-through functionality, where incoming orders that enter the Book while the drill-through is in progress and that would be subject to the drill-through protection join the on-going drill-through process.²⁵

Additionally, the Exchange believes changes to specifically exclude from the current protections for market orders in no-bid (offer) series certain orders that would otherwise be subject to wide market protection will remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general, protect investors. Specifically, the Exchange believes the change to exclude from the current protections for market orders in no-bid (offer) series certain orders that would otherwise be subject to wide market protection may allow opportunity for execution than if they were immediately canceled or rejected. This proposed rule change may increase execution opportunities for Users that submit sell market orders with an NBB of zero when the NBO in the series is greater than \$0.50 (in the case of market orders in no-bid series protections) or buy market orders with an NBO of zero while still providing protection against executions at potentially erroneous prices. Similarly, the Exchange believes the change to allow buy market orders received by the System when the NBO is zero to be subject to the drill-through process is reasonable, as it may allow opportunity for execution of such orders, rather than if they were immediately canceled or rejected. This change aligns market order in no-bid (offer) series protection for Users that submit sell market orders with an NBB of zero when the NBO in the series is greater than \$0.50 (in the case of market orders in no-bid series protections) with how the Exchange will handle buy market orders with an NBO of zero.

Finally, the Exchange believes the proposed change to apply the wide market protection on a class-by-class basis is reasonable, as classes may have different trading characteristics or may be affected differently by market conditions. The proposal will provide the Exchange with flexibility to apply wide market protections in a manner which accounts for material differences

across option classes, thereby enhancing investor protection while minimizing unnecessary market disruption. Further, the Exchange believes the proposed changes are not unfairly discriminatory, as wide market protection applies uniformly to all market participants within each class. This approach is consistent with the Exchange's existing practice of applying certain other order and quote price protection and risk controls, such as the limit order fat finger check for simple orders,²⁶ on a class-by-class basis where product characteristics warrant differential treatment in regard to risk protections.

B. Self-Regulatory Organization's Statement on Burden on Competition

The Exchange does not believe that the proposed rule change will impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. The Exchange does not believe that the proposed rule change will impose any burden on intramarket competition that is not necessary or appropriate in furtherance of the purposes of the Act because the wide market protection functionality will apply to all applicable orders in a class in the same manner. Additionally, it will provide the same price protection and execution opportunities to relevant orders that are currently provided to orders that are subject to the drill-through price protection process, as the wide market protection mechanism is effectively an extension of the Exchange's current drill-through price protection. As noted above, the Exchange believes it is not unfairly discriminatory to apply this protection on a class-by-class basis, as wide market protection applies uniformly to all market participants within each class. This approach is consistent with the Exchange's existing practice of applying certain other order and quote price protection and risk controls, such as the limit order fat finger check for simple orders,²⁷ on a class-by-class basis where product characteristics warrant differential treatment in regard to risk protections.

The Exchange does not believe that the proposed rule change will impose any burden on intermarket competition that is not necessary or appropriate in furtherance of the purposes of the Act, as the proposed rule change relates specifically to price protections offered on the Exchange and how the System handles orders as part of these price protection mechanisms. The proposed wide market protection mechanism

expands the current drill-through price protection mechanism and provides relevant orders with improved protection against execution at potentially extreme or adverse prices through drill-through price protection.

The Exchange believes the proposed rule change would ultimately provide all market participants with additional execution opportunities when appropriate while providing protection from extreme or adverse execution. The Exchange believes the proposal will enhance risk protections, the individual firm benefits of which flow downstream to counterparties both at the Exchange and at other options exchanges, which increases systemic protections as well. The Exchange believes enhancing risk protections will allow Users to enter orders, including Stop (Stop-Loss) and Stop-Limit orders, and quotes with further reduced fear of inadvertent exposure to excessive risk, which will benefit investors through increased exposure to liquidity for the execution of their orders. Without adequate risk management tools, Trading Permit Holders could reduce the amount of order flow and liquidity they provide. Such actions may undermine the quality of the markets available to customers and other market participants. Accordingly, the proposed rule change is designed to encourage Trading Permit Holders to submit additional order flow and liquidity to the Exchange. The proposed change may similarly provide additional execution opportunities, which further benefits liquidity, especially during times when liquidity may require additional time to replenish, such as near the beginning of a trading session. Additionally, as discussed above, the Exchange's affiliated exchange, Cboe Exchange, recently implemented rule changes adopting a substantially similar wide market protection mechanism.²⁸ Thus, the proposed rule change will also align the rules of the Exchange with that of its affiliated exchange, Cboe Exchange.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others

The Exchange neither solicited nor received comments on the proposed rule change.

²⁸ See Securities Exchange Act Release No. 34–104245 (November 24, 2025), 90 FR 54806 (November 28, 2025) (SR–CBOE–2025–081). See also Securities Exchange Act Release No. 34–104435 (December 17, 2025), 90 FR 59890 (December 22, 2025) (SR–CBOE–2025–091).

²⁵ See Rule 5.34(a)(4)(C)(iv).

²⁶ See Rule 5.34(c)(1)(A).

²⁷ See Rule 5.34(c)(1)(A).

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

The Exchange has filed the proposed rule change pursuant to Section 19(b)(3)(A) of the Act²⁹ and Rule 19b-4(f)(6)³⁰ thereunder. Because the foregoing proposed rule change does not: (i) significantly affect the protection of investors or the public interest; (ii) impose any significant burden on competition; and (iii) become operative for 30 days from the date on which it was filed, or such shorter time as the Commission may designate, it has become effective pursuant to Section 19(b)(3)(A) of the Act³¹ and Rule 19b-4(f)(6)³² thereunder.

At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission shall institute proceedings to determine whether the proposed rule should be approved or disapproved.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic Comments

- Use the Commission's internet comment form (<https://www.sec.gov/rules/sro.shtml>); or
- Send an email to rule-comments@sec.gov. Please include file number SR-C2-2026-007 on the subject line.

Paper Comments

- Send paper comments in triplicate to Secretary, Securities and Exchange Commission, 100 F Street NE, Washington, DC 20549-1090.

All submissions should refer to file number SR-C2-2026-007. 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 website (<https://www.sec.gov/rules/sro.shtml>). Copies of the filing will be available for inspection and copying at the principal office of the Exchange. Do not include personal identifiable information in submissions; you should submit only information that you wish to make available publicly. We may redact in part or withhold entirely from publication submitted material that is obscene or subject to copyright protection. All submissions should refer to file number SR-C2-2026-007 and should be submitted on or before May 15, 2026.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.³³

Sherry R. Haywood,

Assistant Secretary.

[FR Doc. 2026-07989 Filed 4-23-26; 8:45 am]

BILLING CODE 8011-01-P

SECURITIES AND EXCHANGE COMMISSION

[Investment Company Act Release No. 36125; File No. 812-15895]

AGL Private Credit Income Fund, et al.

April 22, 2026.

AGENCY: Securities and Exchange Commission ("Commission" or "SEC").

ACTION: Notice.

Notice of application for an order under sections 17(d) and 57(i) of the Investment Company Act of 1940 (the "Act") and rule 17d-1 under the Act to permit certain joint transactions otherwise prohibited by sections 17(d) and 57(a)(4) of the Act and rule 17d-1 under the Act.

Summary of Application: Applicants request an order to permit certain business development companies ("BDCs") and closed-end management investment companies to co-invest in portfolio companies with each other and with certain affiliated investment entities.

Applicants: AGL Private Credit Income Fund; AGL US DL Management LLC; AGL Credit Management LLC; AGL CLO Credit Management LLC; AGL Enhanced PC Income I LLC; and certain of their affiliated entities as described in Schedules A and B to the application.

Filing Dates: The application was filed on September 8, 2025, and amended on March 26, 2026, and April 20, 2026.

Hearing or Notification of Hearing: An order granting the requested relief will be issued unless the Commission orders a hearing. Interested persons may request a hearing on any application by emailing the SEC's Secretary and serving the Applicants with a copy of the request by email, if an email address is listed for the relevant Applicant below, or personally or by mail, if a physical address is listed for the relevant Applicant below. The email should include the file number referenced above. Hearing requests should be received by the Commission by 5:30 p.m., Eastern time, on May 11, 2026, and should be accompanied by proof of service on the Applicants, in the form of an affidavit or, for lawyers, a certificate of service. Pursuant to rule 0-5 under the Act, hearing requests should state the nature of the writer's interest, any facts bearing upon the desirability of a hearing on the matter, the reason for the request, and the issues contested. Persons who wish to be notified of a hearing may request notification by emailing the Commission's Secretary at Secretaries-Office@sec.gov.

ADDRESSES: The Commission: Secretaries-Office@sec.gov. Applicants: Mathieu Milgrom, General Counsel, AGL Credit Management LLC; MMilgrom@AGLCredit.com; and David P. Bartels, Esq., David.Bartels@dechert.com.

FOR FURTHER INFORMATION CONTACT: Thomas Ahmadifar, Branch Chief, or Stephan N. Packs, Senior Counsel, at (202) 551-6825 (Division of Investment Management, Chief Counsel's Office).

SUPPLEMENTARY INFORMATION: For Applicants' representations, legal analysis, and conditions, please refer to Applicants' second amended application, filed April 20, 2026, which may be obtained via the Commission's website by searching for the file number at the top of this document, or for an Applicant using the Company name search field, on the SEC's EDGAR system.

The SEC's EDGAR system may be searched at <https://www.sec.gov/search-filings>. You may also call the SEC's Office of Investor Education and Advocacy at (202) 551-8090.

²⁹ 15 U.S.C. 78s(b)(3)(A).

³⁰ 17 CFR 240.19b-4(f)(6).

³¹ 15 U.S.C. 78s(b)(3)(A).

³² 17 CFR 240.19b-4(f)(6). In addition, Rule 19b-4(f)(6) requires a self-regulatory organization to give the Commission written notice of its intent to file the proposed rule change, along with a brief description and text of the proposed rule change, at least five business days prior to the date of filing of the proposed rule change, or such shorter time as designated by the Commission. The Exchange has satisfied this requirement.

³³ 17 CFR 200.30-3(a)(12).

For the Commission, by the Division of Investment Management, under delegated authority.

Sherry R. Haywood,

Assistant Secretary.

[FR Doc. 2026-08087 Filed 4-23-26; 8:45 am]

BILLING CODE 8011-01-P

SECURITIES AND EXCHANGE COMMISSION

[Investment Company Act Release No. 36121; File No. 812-15893-31]

CION Grosvenor Infrastructure Master Fund, LLC, et al.

April 21, 2026.

AGENCY: Securities and Exchange Commission (“Commission” or “SEC”).

ACTION: Notice.

Notice of application for an order under sections 17(d) and 57(i) of the Investment Company Act of 1940 (the “Act”) and rule 17d-1 under the Act to permit certain joint transactions otherwise prohibited by sections 17(d) and 57(a)(4) of the Act and rule 17d-1 under the Act.

SUMMARY OF APPLICATION: Applicants request an order to permit certain business development companies (“BDCs”) and closed-end management investment companies to co-invest in portfolio companies with each other and with certain affiliated investment entities.

APPLICANTS: CION Grosvenor Infrastructure Master Fund, LLC, GCM Grosvenor Private Equity Capital Opportunities Fund, GCM Grosvenor L.P., GCM Grosvenor Wealth L.P., and certain of their affiliated entities as described in Appendix A to the application.

FILING DATES: The application was filed on September 4, 2025 and amended on April 6, 2026.

HEARING OR NOTIFICATION OF HEARING:

An order granting the requested relief will be issued unless the

Commission orders a hearing. Interested persons may request a hearing on any application by emailing the SEC’s Secretary at *Secretaries-Office@sec.gov* and serving the Applicants with a copy of the request by email, if an email address is listed for the relevant Applicant below, or personally or by mail, if a physical address is listed for the relevant Applicant below. The email should include the file number referenced above. Hearing requests should be received by the Commission by 5:30 p.m., Eastern time, on May 18, 2026, and should be accompanied by proof of

service on the Applicants, in the form of an affidavit or, for lawyers, a certificate of service. Pursuant to rule 0-5 under the Act, hearing requests should state the nature of the writer’s interest, any facts bearing upon the desirability of a hearing on the matter, the reason for the request, and the issues contested. Persons who wish to be notified of a hearing may request notification by emailing the Commission’s Secretary at *Secretaries-Office@sec.gov*.

ADDRESSES: The Commission: *Secretaries-Office@sec.gov*. Applicants: Girish S. Kashyap, Esq., GCM Grosvenor L.P., *GKashyap@gcmlp.com*; with copies to: Ryan P. Brizek, Esq., Simpson Thacher & Bartlett LLP, *ryan.brizek@stblaw.com*.

FOR FURTHER INFORMATION CONTACT:

Trace Rakestraw, Senior Special Counsel, or Adam Large, Senior Special Counsel at (202) 551-6825 (Division of Investment Management, Chief Counsel’s Office).

SUPPLEMENTARY INFORMATION: For Applicants’ representations, legal analysis, and conditions, please refer to Applicants’ first amended application, filed April 6, 2026, which may be obtained via the Commission’s website by searching for the file number at the top of this document, or for an Applicant using the Company name search field, on the SEC’s EDGAR system. The SEC’s EDGAR system may be searched at <https://www.sec.gov/search-filings>. You may also call the SEC’s Office of Investor Education and Advocacy at (202) 551-8090.

For the Commission, by the Division of Investment Management, under delegated authority.

Sherry R. Haywood,

Assistant Secretary.

[FR Doc. 2026-07995 Filed 4-23-26; 8:45 am]

BILLING CODE 8011-01-P

SOCIAL SECURITY ADMINISTRATION

[Docket No: SSA-2026-0265]

Agency Information Collection Activities: Comment Request

The Social Security Administration (SSA) publishes a list of information collection packages requiring clearance by the Office of Management and Budget (OMB) in compliance with Public Law 104-13, the Paperwork Reduction Act of 1995, effective October 1, 1995. This notice includes extensions and revisions of OMB-approved information collections.

SSA is soliciting comments on the accuracy of the agency’s burden

estimate; the need for the information; its practical utility; ways to enhance its quality, utility, and clarity; and ways to minimize burden on respondents, including the use of automated collection techniques or other forms of information technology. Mail, email, or fax your comments and recommendations on the information collection(s) to the OMB Desk Officer and SSA Reports Clearance Officer at the following addresses or fax numbers.

(OMB) Office of Management and Budget, Attn: Desk Officer for SSA (SSA) Social Security Administration, OLCA, Attn: Reports Clearance Director, Mail Stop 3253 Altmeyer, 6401 Security Blvd., Baltimore, MD 21235, Fax: 833-410-1631, Email address: *OR.Reports.Clearance@ssa.gov*

Or you may submit your comments online through <https://www.reginfo.gov/public/do/PRAMain> by clicking on Currently under Review—Open for Public Comments and choosing to click on one of SSA’s published items. Please reference Docket ID Number [SSA-2026-0265] in your submitted response.

SSA submitted the information collections below to OMB for clearance. Your comments regarding these information collections would be most useful if OMB and SSA receive them 30 days from the date of this publication. To be sure we consider your comments, we must receive them no later than May 26, 2026. Individuals can obtain copies of this OMB clearance package by writing to the *OR.Reports.Clearance@ssa.gov*.

1. Request to be Selected as a Payee—20 CFR 404.2010-404.2055, 416.601-416.665-0960-0014. SSA requires an individual applying to be a representative payee for a Social Security beneficiary or Supplemental Security Income (SSI) recipient to complete Form SSA-11-BK or supply the same information to a field office technician. SSA obtains information from applicant payees regarding their relationship to the beneficiary, personal qualifications; concern for the beneficiary’s well-being; and intended use of benefits if appointed as payee. The respondents are individuals, private sector businesses and institutions, and State and local government institutions and agencies applying to become representative payees.

Type of Request: Revision of an OMB-approved information collection.

Method of completion	Number of respondents	Frequency of response	Average burden per response (minutes)	Estimated total annual burden (hours)	Average theoretical hourly cost amount (dollars) *	Average wait time in field office and teleservice centers (minutes) **	Total annual opportunity cost (dollars) ***
Individuals/Households (90%)							
Representative Payee System (RPS)	1,438,668	1	12	287,734	* 32.66	** 35	*** 36,806,416
Paper Version	70,804	1	12	14,161	* 32.66	.....	*** 462,498
Total	1,509,472	.....	.....	301,895	.....	.....	*** 37,268,914
Private Sector (9%)							
Representative Payee System (RPS)	144,427	1	12	28,885	* 18.95	** 35	*** 2,143,889
Paper Version	7,080	1	12	1,416	* 18.95	.....	*** 26,833
Total	151,507	.....	.....	30,301	.....	.....	*** 2,170,722
State/Local/Tribal Government (1%)							
Representative Payee System (RPS)	16,048	1	12	3,210	* 22.64	** 35	*** 284,607
Paper Version	352	1	12	70	* 22.64	.....	*** 1,585
Total	16,400	1	12	3,280	* 22.64	.....	*** 286,192
Grand Total	1,677,379	.....	.....	335,576	.....	.....	*** 39,725,828

* We based these figures on the hourly mean wages of U.S. workers; Personal Care and Service Workers; and Social and Human Service Assistances, as reported by Bureau of Labor Statistics data (Occupational Employment and Wage Statistics).

** We based this figure on the average combined FY 2026 wait times for field offices (22 minutes) and for teleservice centers (48 minutes which includes the average speed of answer of 7 minutes as well as the average 41-minute wait time for a call back from an SSA technician), based on SSA's current management information data. This figure reflects both data from our systems and the data posted on our public facing website (Social Security performance | SSA) on the date we drafted this document. As the figures fluctuate daily, the wait times may be different on the website than they appear here. We continue to monitor our website and management information data on call back times to ensure we report updated figures when possible.

*** This figure does not represent actual costs that SSA is imposing on recipients of Social Security payments to complete this application; rather, these are theoretical opportunity costs for the additional time respondents will spend to complete the application. *There is no actual charge to respondents to complete the application.*

2. *Certificate of Responsibility for Welfare and Care of Child Not in Applicant's Custody—20 CFR 404.330, 404.339–404.341 and 404.348–404.349—0960–0019.* SSA uses Form SSA–781 to determine if non-custodial parents who file for spouse, mother's,

father's, or surviving divorced mother's or father's benefits based on having a child in their care, meet the child-in-care requirements. The child-in-care provision requires claimants to have an entitled child under age 16 or disabled in their care. The respondents are

applicants for spouse's; mother's; father's; or surviving divorced mother's or father's Social Security benefits.

Type of Request: Revision of an OMB-approved information collection.

Method of completion	Number of respondents	Frequency of response	Average burden per response (minutes)	Estimated total annual burden (hours)	Average theoretical hourly cost amount (dollars) *	Average wait time in field office and teleservice centers (minutes) **	Total annual opportunity cost (dollars) ***
SSA–781	478	1	5	40	\$32.66 *	35 **	\$10,419 ***

* We based this figure on average U.S. citizen's hourly salary, as reported by Bureau of Labor Statistics data (Occupational Employment and Wage Statistics).

** We based this figure on the average combined FY 2026 wait times for field offices (22 minutes) and for teleservice centers (48 minutes which includes the average speed of answer of 7 minutes as well as the average 41-minute wait time for a call back from an SSA technician), based on SSA's current management information data. This figure reflects both data from our systems and the data posted on our public facing website (Social Security performance | SSA) on the date we drafted this document. As the figures fluctuate daily, the wait times may be different on the website than they appear here. We continue to monitor our website and management information data on call back times to ensure we report updated figures when possible.

*** This figure does not represent actual costs that SSA is imposing on recipients of Social Security payments to complete this application; rather, these are theoretical opportunity costs for the additional time respondents will spend to complete the application. *There is no actual charge to respondents to complete the application.*

3. *Representative Payee Evaluation Report—20 CFR 404.2065 & 416.665—0960–0069.* Sections 205(j) and 1631(a)(2) of the Act state that SSA may authorize payment of Social Security benefits or SSI payments to a representative payee on behalf of individuals unable to manage, or direct the management of, those funds themselves. SSA requires appointed representative payees to report once each year on how they used or

conserved those funds. When a representative payee fails to adequately report to SSA, SSA conducts a face-to-face interview with the payee and completes Form SSA–624–F5, Representative Payee Evaluation Report, to determine the continued suitability of the representative payee to serve as a payee. In addition to interviewing the representative payee, we also interview the recipient, and custodian (if other than the payee), to confirm the

information the payee provides, and to ensure the payee is meeting the recipient's current needs. However, we do not require the interviews to be face-to-face with non-representative payees. The respondents are individuals or organizations serving as representative payees for individuals receiving Title II benefits or Title XVI payments, and who fail to comply with SSA's statutory annual reporting requirement, and the recipients for whom they act as payee.

Type of Request: Revision of an OMB-approved information collection.

Method of completion	Number of respondents	Frequency of response	Average burden per response (minutes)	Estimated total annual burden (hours)	Average theoretical hourly cost amount (dollars) *	Average wait time in field office and teleservice centers (minutes) **	Total annual opportunity cost (dollars) ***
SSA-624-F5 (Individuals)	6,453	1	30	3,227	* 32.66	** 22	*** 182,667
SSA-624-F5 (State and Local Government)	38	1	30	19	* 22.64	** 48	*** 1,109
SSA-624-F5 (Businesses)	260	1	30	130	* 18.27	** 48	*** 6,175
Totals	6,751	.....	.....	3,376	.....	.....	*** 189,951

*We based these figures on the average U.S. worker's hourly wages; State and Local Government Social and Human Services Assistants; and Personal Care and Service Workers (Occupational Employment and Wage Statistics), as reported by Bureau of Labor Statistics data.

**We based this figure on the average FY 2026 wait times for field offices (22 minutes) and for teleservice centers (48 minutes which includes the average speed of answer of 7 minutes as well as the average 41-minute wait time for a call back from an SSA technician), based on SSA's current management information data. This figure reflects both data from our systems and the data posted on our public facing website (Social Security performance | SSA) on the date we drafted this document. As the figures fluctuate daily, the wait times may be different on the website than they appear here. We continue to monitor our website and management information data on call back times to ensure we report updated figures when possible.

***This figure does not represent actual costs that SSA is imposing on recipients of Social Security payments to complete this application; rather, these are theoretical opportunity costs for the additional time respondents will spend to complete the application. *There is no actual charge to respondents to complete the application.*

4. *Advanced Notice of Termination of Child's Benefits & Student's Statement Regarding School Attendance—20 CFR 404.350–404.352, 404.367–404.368—0960–0105.* SSA collects information on Forms SSA-1372-BK and SSA-1372-BK-FC to determine whether children of an insured worked meet the

eligibility requirements for student benefits. The data we collect allows SSA to determine student entitlement and assess whether to terminate benefits. SSA uses the SSA-1372-BK for domestic student claimants and the SSA-1372-BK-FC for student claimants living and attending school outside the

United States. The respondents are student claimants for Social Security benefits, their respective schools and, in some cases, their representative payees.

Type of Request: Revision of an OMB-approved information collection.

SSA-1372-BK:

Type of respondent	Number of respondents	Frequency of response	Average burden per response (minutes)	Estimated total annual burden (hours)	Average theoretical hourly cost amount (dollars) *	Average wait time in field office and teleservice centers (minutes) **	Total annual opportunity cost (dollars) ***
SSA-1372-BK (Students who return the form in-person)	8,063	1	15	2,016	* 14.27	** 22	*** 70,950
SSA-1372-BK (Students who return the form by mail)	198,351	1	15	49,588	* 14.27	.....	*** 707,621
SSA-1372-BK State/Local/Tribal Government (Certifying school officials)	216,593	1	10	36,099	* 47.82	.....	*** 1,726,254
SSA-1372-BK (Rep Payees who return the form in-person)	397	1	15	99	* 32.66	** 22	*** 8,002
SSA-1372-BK (Rep Payees who return the form by mail)	9,782	1	15	2,446	* 32.66	.....	*** 79,886
Totals	433,186	.....	.....	90,248	.....	.....	*** 2,592,713

SSA-1372-BK-FC:

Type of respondent	Number of respondents	Frequency of response	Average burden per response (minutes)	Estimated total annual burden (hours)	Average theoretical hourly cost amount (dollars) *	Total annual opportunity cost (dollars) ***
SSA-1372-BK-FC (Students)	831	1	15	208	* 14.27	*** 2,968
SSA-1372-BK-FC State/Local/Tribal Government (Certifying school officials)	871	1	10	145	* 39.01	*** 5,656
SSA-1372-BK-FC (Representative payees)	40	1	15	10	* 32.66	*** 327
Totals	1,742	.....	.....	363	.....	*** 8,951
Grand Total	434,928	.....	.....	90,611	.....	*** 2,601,664

*We based these figures on average disability hourly wages for single students based on SSA's current FY 2026 data (Effect of COLA on Average Social Security Benefits), average Education Administrator's hourly wages, and average U.S. worker's hourly wages as reported by Bureau of Labor Statistics (Occupational Employment and Wage Statistics).

****** We based this figure on the average FY 2026 wait times for field offices (22 minutes), based on SSA's current management information data. This figure reflects the data posted on our public facing website (Social Security performance | SSA) on the date we drafted this document. As the figures fluctuate daily, the wait times may be different on the website than they appear here. We continue to monitor our website and management information data on call back times to ensure we report updated figures when possible.

******* This figure does not represent actual costs that SSA is imposing on recipients of Social Security payments to complete this application; rather, these are theoretical opportunity costs for the additional time respondents will spend to complete the application. *There is no actual charge to respondents to complete the application.*

5. Vocational Rehabilitation Provider Claim—20 CFR 404.2108(b), 404.2117(c)(1) & (2), 404.2101(b)&(c), 404.2121(a), 416.2208(b), 416.2217(c)(1) & (2), 416.2201(b)&(c), 416.2221(a)—0960–0310. State vocational rehabilitation (VR) agencies submit Form SSA–199 to SSA to obtain reimbursement of costs incurred for providing VR services. SSA requires state VR agencies to submit reimbursement claims for the following

categories: (1) claiming reimbursement for VR services provided; (2) certifying adherence to cost containment policies and procedures; and (3) preparing causality statements. The respondents provide the information requested through a web-based Secure Ticket Portal, in lieu of submitting forms. This Portal allows VRs to retrieve reports, and enter and submit information electronically, minimizing the use of the paper form to SSA for consideration and

approval of the claim for reimbursement of costs incurred for SSA beneficiaries. SSA uses the information on the SSA–199, along with the written documentation, to determine whether, and how much, to pay State VR agencies under SSA's VR program. Respondents are State VR agencies offering vocational and employment services to Social Security and SSI recipients.

Type of Request: Revision of an OMB-approved information collection.

Method of completion	Number of respondents	Frequency of response	Average burden per response (minutes)	Estimated total annual burden (hours)	Average theoretical hourly cost amount (dollars) *	Average wait time in field office and teleservice centers (minutes) **	Total annual opportunity cost (dollars) ***
a. Claiming Reimbursement on SSA–199—20 CFR 404.2108(b) & 416.2208(b)	78	303	23,634	23	9,060	* 19.06	** 172,684
b. Certifying Adherence to Cost Containment Policy and Procedures—20 CFR 404.2117(c)(1) & (2), 416.2217(c)(1) & (2) & 34 CFR 361	78	1	78	60	78	* 19.06	** 1,487
c. Preparing Causality Statements—20 CFR 404.2121(a), 404.2101(a), 416.2201(a), & 416.2221(a)	78	3	234	100	390	* 19.06	** 7,443
Totals	234	.....	23,946	.....	9,528	* 48.06	** 181,614

* We based this figure on the average Healthcare Support Occupations, as reported by Bureau of Labor Statistics data (Occupational Employment and Wage Statistics).

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6. Request for Social Security Statement—20 CFR 404.810—0960–0466. Section 205(c)(2)(A) of the Social Security Act (Act) requires the Commissioner of SSA to establish and maintain records of wages paid to, and amounts of self-employment income derived by each individual, as well as the periods in which such wages were paid, and such income derived. An

individual may complete and mail Form SSA–7004 to SSA to obtain a Statement of Earnings or Quarters of Coverage, or they may access their statement online using *my Social Security*. SSA uses the information from Form SSA–7004 to identify a respondent's Social Security earnings records; extract posted earnings information; calculate potential benefit estimates; produce the resulting

Social Security statements; and mail them to the requesters. The respondents are Social Security number (SSN) holders requesting information about their Social Security earnings records and estimates of their potential benefits.

Type of Request: Revision of an OMB-approved information collection.

Method of completion	Number of respondents	Frequency of response	Average burden per response (minutes)	Estimated total annual burden (hours)	Average theoretical hourly cost amount (dollars) *	Total annual opportunity cost (dollars) ***
SSA-7004	21,155	1	5	1,763	32.66 *	57,580 **

* We based this figure on the average U.S. worker's hourly wages, as reported by Bureau of Labor Statistics data (Occupational Employment and Wage Statistics).

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7. *Medical Report on Adult with Allegation of Human Immunodeficiency Virus Infection; Medical Report on Child with Allegation of Human Immunodeficiency Virus Infection—20 CFR 416.933–416.934—0960–0500.* Section 1631(e)(i) of the ACT authorizes the Commissioner of SSA to gather information to make a determination about an applicant's claim for SSI payments. Section 1631(a)(4) of the Act

provides that the Commissioner may pay SSI payments to an applicant for a period not exceeding six months prior to the determination of the individual's disability, if the individual is presumptively disabled and is determined to be otherwise eligible for benefits; this procedure is called Presumptive Disability (PD). SSA uses Forms SSA-4814 and SSA-4815 to collect information necessary to

determine if an individual with human immunodeficiency virus infection, who is applying for SSI disability benefits, meets the requirements for PD. The respondents are the medical sources of the applicants for SSI disability payments.

Type of Request: Revision of an OMB-approved information collection.

Method of completion	Number of respondents	Frequency of response	Average burden per response (minutes)	Estimated total annual burden (hours)	Average theoretical hourly cost amount (dollars) *	Total annual opportunity cost (dollars) ***
SSA-4814	816	1	11	150	* \$19.06	** \$2,859
SSA-4815	24	1	13	5	* 19.06	** 95
Totals	840	.....	.....	155	.....	** 2,954

* We based this figure on the average Healthcare Support Occupations, as reported by Bureau of Labor Statistics data (Occupational Employment and Wage Statistics).

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8. *Employer Verification of Records for Children Under Age 7—20 CFR 404.801–404.803, 404.821–404.822—0960–0505.* To ensure we credit the correct person with the reported earnings, SSA verifies wage reports for children under age seven with the

children's employers before posting to the earnings record. SSA uses form SSA-L3231, Request for Employer Information for this purpose. SSA technicians mail the form to the employer(s) and request they complete it and mail it back to the appropriate

processing center. The respondents are employers who report earnings for children under age seven.

Type of Request: Revision of an OMB-approved information collection.

Method of completion	Number of respondents	Frequency of response	Average burden per response (minutes)	Estimated total annual burden (hours)	Average theoretical hourly cost amount (dollars) *	Total annual opportunity cost (dollars) ***
SSA-L3231	15,923	1	15	3,981	\$32.66 *	\$130,019 **

* We based this figure on the average U.S. worker's hourly wages, as reported by Bureau of Labor Statistics data (Occupational Employment and Wage Statistics).

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9. *Disability Case Development Information Collections By State Disability Determination Services On Behalf of SSA—20 CFR 404.1503a, 404.1512, 404.1513, 404.1514, 404.1517, 404.1519; 20 CFR 404.1613, 404.1614, 404.1624; 20 CFR 416.903a, 416.912, 416.913, 416.914, 416.917, 416.919 and*

20 CFR 416.1013, 416.1014, 416.1024–0960–0555. State Disability Determination Services (DDS) collect the information necessary to administer the Social Security Disability Insurance and SSI programs. They collect medical evidence from consultative examination (CE) sources; credential information

from CE source applicants; and medical evidence of record (MER) from claimants' medical sources. The DDSs collect information from claimants regarding medical appointments, pain, symptoms, and impairments. The respondents are medical providers,

other sources of MER, and disability claimants.

Type of Request: Revision of an OMB-approved information collection.

CE Collections

There are four CE information collections: (a) Medical evidence about

claimants' medical condition(s) that DDS's use to make disability determinations when the claimant's own medical sources cannot or will not provide the required information, and proof of credentials from CE providers; (b) CE appointment letters; (c) CE

claimant reports sent to claimants' doctors; and (d) One-time CE claimant telehealth call script/letter; (e) CE Claimant Telehealth CE Call Script/Letter; and (f) CE Claimant Text and Email CE Reminder Call Script/Letter.

(a) MEDICAL EVIDENCE AND CREDENTIALS FROM CE PROVIDERS

Method of completion	Number of respondents	Frequency of response	Average burden per response (minutes)	Estimated total annual burden (hours)	Average theoretical hourly cost amount (dollars) *	Total annual opportunity cost (dollars) ***
CE Paper Submissions	81,909	1	30	40,955	*\$50.59	**\$2,071,913
CE Electronic Submissions	2,327,217	1	10	387,870	* 50.59	** 19,622,343
CE Credentials	4,000	1	15	1,000	* 50.59	** 50,590
Totals	2,413,126	.....	.....	429,825	.....	** 21,744,846

* We based this figure on average Healthcare Practitioners and Technical Occupations hourly salary, as reported by Bureau of Labor Statistics (Occupational Employment and Wage Statistics).

(b) CE APPOINTMENT LETTERS AND (c) CE CLAIMANTS' REPORT TO MEDICAL PROVIDERS

Method of completion	Number of respondents	Frequency of response	Average burden per response (minutes)	Estimated total annual burden (hours)	Average theoretical hourly cost amount (dollars) *	Total annual opportunity cost (dollars) ***
(b) CE Appointment Letters	3,065,444	1	5	255,454	*\$14.27	**\$3,645,329
(c) CE Claimants Report to Medical Providers	98,340	1	5	8,195	* 14.27	** 116,943
Totals	3,163,784	.....	.....	263,649	.....	** 3,762,272

* We based this figure on the average disability payments based on SSA's current FY 2026 data (Effect of COLA on Average Social Security Benefits).

(d) TRAVEL TIME TO AND COMPLETION OF CE

Method of completion	Number of respondents	Frequency of response	Average burden per response (minutes)	Estimated total annual burden (hours)	Average theoretical hourly cost amount (dollars) *	Total annual opportunity cost (dollars) ***
Claimants travel time to and completion of CE	1,687,077	1	60	1,687,077	*\$14.27	**\$24,074,589

* We based this figure on the average disability payments based on SSA's current FY 2026 data (Effect of COLA on Average Social Security Benefits).

(e) CE CLAIMANT TELEHEALTH CE CALL SCRIPT/LETTER

Method of completion	Number of respondents	Frequency of response	Average burden per response (minutes)	Estimated total annual burden (hours)	Average theoretical hourly cost amount (dollars) *	Total annual opportunity cost (dollars) ***
CE Claimant Telehealth Call Script/Letter	165,000	1	5	13,750	*\$14.27	**\$196,213

* We based this figure on the average disability payments based on SSA's current FY 2026 data (Effect of COLA on Average Social Security Benefits).

(f) CE CLAIMANT TEXT AND EMAIL CE REMINDER CALL SCRIPT/LETTER

Method of completion	Number of respondents	Frequency of response	Average burden per response (minutes)	Estimated total annual burden (hours)	Average theoretical hourly cost amount (dollars) *	Total annual opportunity cost (dollars) ***
CE Claimant Text and Email Reminder Call Script/Letter	1,175,536	1	4	78,369	*\$14.27	**\$1,118,326

*We based this figure on the average disability payments based on SSA's current FY 2026 data (Effect of COLA on Average Social Security Benefits).

Category II MER Collections

The DDS's collect MER information from the claimant's medical sources to

determine a claimant's physical or mental status prior to making a disability determination.

Method of completion	Number of respondents	Frequency of response	Average burden per response (minutes)	Estimated total annual burden (hours)	Average theoretical hourly cost amount (dollars) *	Total annual opportunity cost (dollars) ***
Paper Submissions	1,444,747	1	20	481,582	*\$50.59	**\$23,631,228
Electronic Submissions	12,659,061	1	12	2,531,812	* 50.59	** 124,236,015
Totals	14,103,808	.....	.....	3,013,394	.....	** 147,867,243

*We based this figure on average Healthcare Practitioners and Technical Occupations hourly salary, as reported by Bureau of Labor Statistics (Occupational Employment and Wage Statistics).

Category III—Symptoms/Impairment/Other Information

Method of completion	Number of respondents	Frequency of response	Average burden per response (minutes)	Estimated total annual burden (hours)	Average theoretical hourly cost amount (dollars) *	Total annual opportunity cost (dollars) ***
Seizure Questionnaire—Adult	54,372	1	20	18,124	*\$14.27	**\$258,629
Seizure Witness Questionnaire—Adult	8,765	1	20	2,922	* 32.66	** 95,422
Headache Questionnaire—Adult	50,839	1	20	16,946	* 14.27	** 241,824
Request for Third Party	126,577	1	5	10,548	* 14.27	** 150,520
Totals	240,553	.....	.....	48,540	.....	** 746,395

*We based this figure on the average disability payments based on SSA's current FY 2026 data (Effect of COLA on Average Social Security Benefits), and the average U.S. worker's hourly wages, as reported by Bureau of Labor Statistics (Occupational Employment and Wage Statistics).

Grand Total

Method of completion	Number of respondents	Frequency of response	Average burden per response (minutes)	Estimated total annual burden (hours)	Average theoretical hourly cost amount (dollars) *	Total annual opportunity cost (dollars) ***
Totals	22,948,884	.....	.....	5,534,604	.....	\$199,509,884 **

** These figures do not represent actual costs that SSA is imposing on recipients of Social Security payments to complete this application; rather, these are theoretical opportunity costs for the additional time respondents will spend to complete the application. *There is no actual charge to respondents to complete the application.*

10. Employer Reports of Special Wage Payments—20 CFR 404.428–404.429—0960–0565. SSA collects information on the SSA–131 to prevent earnings-related overpayments, and to avoid erroneous withholding of benefits. SSA field

offices and program service centers also use Form SSA–131 for awards and post-entitlement events requiring special wage payment verification from employers. While we need this information to ensure the correct

payment of benefits, we do not require employers to respond. The respondents are large and small businesses that make special wage payments to retirees.

Type of Request: Revision of an OMB-approved information collection.

Note: This is a correction Notice. At the 60-day comment period stage we included wait time in a field office; however, the large and

small businesses who are the respondents only submit these forms to us either via USPS mail or electronically. Therefore, we

have removed the wait time from our chart below.

Method of completion	Number of respondents	Frequency of response	Average burden per response (minutes)	Estimated total annual burden (hours)	Average theoretical hourly cost amount (dollars) *	Total annual opportunity cost (dollars) **
Paper Version: SSA-131 (without #6)	26,854	1	20	8,951	*\$45.15	**\$404,138
Paper Version: SSA-131 (#6 only)	271	1	2	9	*45.15	**406
Electronic Version: Business Services Online Special Wage Payments	90,023	1	5	7,502	*45.15	**338,715
Totals	117,148	.....	.....	16,462	.....	**743,259

* We based this figure on average Budget Analysts hourly salary, as reported by Bureau of Labor Statistics data, as reported by Bureau of Labor Statistics (Occupational Employment and Wage Statistics).

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11. Complaint Form for Allegations of Discrimination in Programs or Activities Conducted by the Social Security Administration—0960-0585. SSA uses Form SSA-437-BK to investigate and formally resolve complaints of discrimination based on disability, race, color, national origin (including limited English language proficiency), sex (including sexual orientation and gender identity), age, religion, or retaliation for having participated in a

proceeding under this administrative complaint process in connection with an SSA program or activity. Individuals who believe SSA discriminated against them on any of the above bases may file a written complaint of discrimination. SSA uses the information to: (1) identify the complaint; (2) identify the alleged discriminatory act; (3) establish the date of such alleged action; (4) establish the identity of any individual(s) with information about the alleged

discrimination; and (5) establish other relevant information that would assist in the investigation and resolution of the complaint. Respondents are individuals who believe SSA, or SSA employees, contractors, or agents, discriminated against them in connection with programs or activities conducted by SSA.

Type of Request: Revision on an OMB-approved information collection.

Method of completion	Number of respondents	Frequency of response	Average burden per response (minutes)	Estimated total annual burden (hours)	Average theoretical hourly cost amount (dollars) *	Total annual opportunity cost (dollars) **
SSA-437-BK	600	1	60	600	*\$23.47	**\$14,082

* We based this figure by averaging both the average disability payments based on SSA's current FY 2026 data (Effect of COLA on Average Social Security Benefits), and the average U.S. worker's hourly wages, as reported by Bureau of Labor Statistics data (Occupational Employment and Wage Statistics).

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12. Private Printing and Modification of Prescribed Application and Other Forms—20 CFR 422.527—0960-0663. 20 CFR 422.527 of the Code of Federal Regulations requires a person, institution, or organization (third-party entities) to obtain approval from SSA prior to reproducing, duplicating, or privately printing any application or other form the agency owns. To obtain

SSA's approval, entities must make their requests in writing using their company letterhead, providing the required information set forth in the regulation. SSA uses the information to: (1) ensure requests comply with the law and regulations, and (2) process requests from third-party entities who want to reproduce, duplicate, or privately print any SSA application or other SSA form.

SSA employees review the requests and provide approval via email or mail to the third-party entities. The respondents are third-party entities who submit a request to SSA to reproduce, duplicate, or privately print an SSA-owned form.

Type of Request: Extension of an OMB-approved information collection.

Method of completion	Number of respondents	Frequency of response	Number of responses	Average burden per response (minutes)	Estimated total annual burden (hours)	Average theoretical hourly cost amount (dollars) *	Total annual opportunity cost (dollars) **
20 CFR 422.527	10	15	150	10	25	*\$18.95	**\$474

* We based this figure on the average Personal Care and Service occupations hourly wages, as reported by Bureau of Labor Statistics data (Occupational Employment and Wage Statistics).

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13. *International Direct Deposit—31 CFR 210—0960–0686.* SSA's International Direct Deposit (IDD) Program allows beneficiaries living abroad to receive their payments via direct deposit to an account at a financial institution outside the United States. SSA uses Form SSA-1199-

(Country) to enroll Title II beneficiaries residing abroad in IDD, and to obtain the direct deposit information for foreign accounts. Routing account number information varies slightly for each foreign country, so we use a variation of the Treasury Department's Form SF-1199A for each country. The

respondents are Social Security beneficiaries residing abroad who want SSA to deposit their Title II benefit payments directly to a foreign financial institution.

Type of Request: Revision of an OMB-approved information collection.

Method of completion	Number of respondents	Frequency of response	Average burden per response (minutes)	Estimated total annual burden (hours)	Average theoretical hourly cost amount (dollars) *	Total annual opportunity cost (dollars) **
SSA-1199-(Country)	54,720	1	5	4,560	*\$32.66	**\$148,930

* We based this figure on the average U.S. worker's hourly wages, as reported by Bureau of Labor Statistics data (Occupational Employment and Wage Statistics).

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14. *Letter to Custodian of Birth Records—20 CFR 404.704, and 422.103–422.110—0960–0693.* When individuals need help in obtaining evidence of their age in connection with SSN card applications and claims for benefits, SSA prepares the SSA-L706, Letter to Custodian of Birth Records. SSA uses Form SSA-L706 to verify the proof of age when an SSN applicant submits a birth record that is deemed questionable in the Social Security Number Application Process (SSNAP) system. In most of the cases, we verify birth records (*i.e.*, birth certificates) with the custodian of the record or issuing entity

before processing the SSN card application via an online query such as the Electronic Verification of Vital Events (EVVE) or SSA-approved online access to State vital records. However, when the applicant submits alternative evidence to request an original SSN card or to correct a date of birth (DOB) that SSA cannot verify via an online query (*i.e.*, the custodian/issuing entity of the birth record is a hospital or health care provider), we use the SSA-L706 to verify proof of age for enumeration purposes. The SSNAP system pre-fills a PDF version of the SSA-L706 using information from the SSN application to

ensure accuracy and save time. SSA uses the letter to verify with the custodian or issuing entity, when necessary, the authenticity of the record the SSN applicant or claimant submitted. SSA mails the SSA-L706 to the respondents to complete and mail or fax back the completed form back to us. The respondents are SSN applicants who sign the request; State and local bureaus or agencies of vital statistics, and religious entities who submit the information regarding evidence of age for the SSN applicant.

Type of Request: Revision of an OMB-approved information collection.

Method of completion	Number of respondents	Frequency of response	Average burden per response (minutes)	Estimated total annual burden (hours)	Average theoretical hourly cost amount (dollars) *	Total annual opportunity cost (dollars) ***
SSA-L706—(SSNAP)	573	1	10	96	*\$24.14	** \$2,317
SSA-L706—(Respondents Signature Only)	573	1	1	10	* 32.66	** 327
Totals	1,146	.....	.....	106	.....	** 2,644

* We based these figures on the average U.S. worker's hourly wages (Occupational Employment and Wage Statistics) and on the average Information and Record Clerks hourly wage (Occupational Employment and Wage Statistics) as reported by Bureau of Labor Statistics data.

** This figure does not represent actual costs that SSA is imposing on recipients of Social Security payments to complete this application; rather, these are theoretical opportunity costs for the additional time respondents will spend to complete the application. *There is no actual charge to respondents to complete the application.*

15. *Technical Updates to Applicability of the Supplemental Security Income Reduced Benefit Rate for Individuals Residing in Medical Treatment Facilities—20 CFR 416.708(k)—0960–0758.* Section 1611(e)(1)(A) of the Act specifies residents of public institutions are ineligible for SSI. However, Sections 1611(e)(1)(B) and (G) of the Act list certain exceptions to this provision, making it necessary for SSA to collect information about SSI recipients who enter or leave a medical treatment

facility or other public or private institution. SSA's regulation 20 CFR 416.708(k) establishes the reporting guidelines that implement this legislative requirement. SSA uses this information collection to determine SSI eligibility or the benefit amount for SSI recipients who enter or leave institutions. SSA personnel collect this information directly from SSI recipients, or from someone reporting on their behalf. An SSI recipient who enters an institution may be unable to report; therefore, a family member sometimes

makes this report on behalf of the recipient. When contacting SSA, the recipient, or family member of the recipient, provides the name of the institution, the date of admission, and the expected date of discharge. The respondents are SSI recipients who enter or leave an institution, or individuals reporting on their behalf.

Type of Request: Extension of an OMB-approved information collection.

Method of completion	Number of respondents	Frequency of response	Average burden per response (minutes)	Estimated total annual burden (hours)	Average theoretical hourly cost amount (dollars) *	Average wait time in field office (minutes) **	Total annual opportunity cost (dollars) ***
Technical updates statement/institutional residents screens	184,956	1	7	21,578	* \$23.47	** 22	*** \$2,098,101

* We based this figure by averaging both the average disability payments based on SSA's current FY 2026 data (Effect of COLA on Average Social Security Benefits) and the average U.S. worker's hourly wages (Occupational Employment and Wage Statistics) as reported by Bureau of Labor Statistics data.

** We based this figure on the average FY 2026 wait time for field offices (22 minutes), based on SSA's current management information data. This figure reflects both data from our systems and the data posted on our public facing website (Social Security performance | SSA) on the date we drafted this document. As the figures fluctuate daily, the wait times may be different on the website than they appear here. We continue to monitor our website and management information data on call back times to ensure we report updated figures when possible.

*** This figure does not represent actual costs that SSA is imposing on recipients of Social Security payments to complete this application; rather, these are theoretical opportunity costs for the additional time respondents will spend to complete the application. *There is no actual charge to respondents to complete the application.*

16. Application Status—20 CFR 401.45—0960-0763. Application Status provides users with the capability to check the status of their pending Social Security claims via the National 800 Number Automated Telephone Service. Users need their SSN and a confirmation number to access this information. SSA systems determine the

type of claim(s) the caller filed based upon the information provided. Subsequently, the automated telephone system provides callers with the option to choose the claim for which they wish to obtain status. If the caller applied for multiple claims, the automated system allows the caller to select only one claim at a time. Once callers select the

claim(s) they are calling about, an automated voice advises them of the status of their claim. The respondents are current Social Security claimants who wish to check on the status of their claims.

Type of Request: Revision of an OMB-approved information collection.

Method of completion	Number of respondents	Frequency of response	Average burden per response (minutes)	Estimated total annual burden (hours)	Average theoretical hourly cost (dollars) *	Average Wait for Automated Telephone Service (minutes) **	Total Annual Opportunity Cost (dollars) ***
Application Status	2,707,599	1	7	315,887	* \$23.47	** 7	*** \$14,827,736

* We based this figure by averaging both the average disability payments based on SSA's current FY 2026 data (Effect of COLA on Average Social Security Benefits), and the average U.S. worker's hourly wages, as reported by Bureau of Labor Statistics data (Occupational Employment and Wage Statistics).

** We based this figure on the average FY 2026 wait times for the automated telephone service call (which includes the average speed of answer of 7 minutes), based on SSA's current management information data. This figure reflects both data from our systems and the data posted on our public facing website (Social Security performance | SSA) on the date we drafted this document. As the figures fluctuate daily, the wait times may be different on the website than they appear here. We continue to monitor our website and management information data on call back times to ensure we report updated figures when possible.

*** This figure does not represent actual costs that SSA is imposing on recipients of Social Security payments to complete this application; rather, these are theoretical opportunity costs for the additional time respondents will spend to complete the application. *There is no actual charge to respondents to complete the application.*

17. Protection and Advocacy for Beneficiaries of Social Security (PABSS)—20 CFR 435.51–435.52—0960-0768. The PABSS projects are part of Social Security's strategy to increase the number of Social Security Disability Insurance (SSDI) or SSI recipients who return to work and achieve financial independence and self-sufficiency as the result of receiving support, representation, advocacy, or other services. PABSS provides: (1)

Information and advice about obtaining vocational rehabilitation and employment services; and (2) advocacy or other services a beneficiary with a disability may need to secure, maintain, or regain gainful employment. The PABSS Annual Program Performance Report collects statistical information from each of the PABSS projects in an effort to manage and capture program performance and quantitative data. Social Security uses the information to

evaluate the efficiency of the program, and to ensure beneficiaries are receiving quality services. The project data is valuable to Social Security in its analysis of and future planning for the SSDI and SSI programs. The respondents are the 57 PABSS project sites, and recipients of SSDI and SSI programs.

Type of Request: Revision of an OMB-approved information collection.

Method of completion	Number of respondents	Frequency of response	Average burden per response (minutes)	Estimated total annual burden (hours)	Average theoretical hourly cost amount (dollars) *	Total annual opportunity cost (dollars) **
PABSS Program Grantees (SSA-4570)	+ 1	1	1	1	* \$1	** \$1
Web-based Reporting System (SSA-4570)	57	1	2,400	2,280	* 34.05	** 77,634
Totals	57			2,281		*** 77,635

+ We are placing a place holder for Form SSA-4570, as SSA will only use the paper version of the SSA-4570 as a backup collection instrument if the SSA-4570 Web-based Reporting System becomes unavailable. As such, we do not anticipate any respondents will use the PDF form under normal circumstances, therefore, we are placing a placeholder.

* We based this figure on the average disability payments based on SSA's current FY 2026 data (Effect of COLA on Average Social Security Benefits) and on the average Computer Systems Analyst hourly wages (Occupational Employment and Wage Statistics), as reported by Bureau of Labor Statistics data.

*** This figure does not represent actual costs that SSA is imposing on recipients of Social Security payments to complete this application; rather, these are theoretical opportunity costs for the additional time respondents will spend to complete the application. *There is no actual charge to respondents to complete the application.*

18. Methods for Conducting Personal Conferences When Waiver of Recovery of a Title II or Title XVI Overpayment Cannot Be Approved—20 CFR 404.506 & 416.557—0960–0769. SSA conducts personal conferences when we cannot approve a waiver of recovery of a Title II or Title XVI overpayment. The Act and our regulatory citations require SSA to give overpaid Social Security beneficiaries and SSI recipients the right to request a waiver of recovery and automatically schedule a personal conference if we cannot approve their request for waiver of overpayment. We

conduct these conferences face-to-face, via telephone, or through video teleconferences. Social Security beneficiaries and SSI recipients or their representatives may provide documents to demonstrate they are without fault in causing the overpayment and do not have the ability to repay the debt. They may submit these documents by completing Form SSA–632, Request for Waiver of Overpayment Recovery (OMB No. 0960–0037); Form SSA–795, Statement of Claimant or Other Person (OMB No. 0960–0045); or through a personal statement submitted by mail,

telephone, personal contact, or other suitable method, such as fax or email. This information collection satisfies the requirements for request for waiver of recovery of an overpayment and allows individuals to pursue further levels of administrative appeal via personal conference. Respondents are Social Security Title II beneficiaries and Title XVI SSI recipients or their representative's seeking reconsideration of an SSA waiver decision.

Type of Request: Extension of an OMB-approved information collection.

Method of completion Title II, Title XVI, Title XVIII Personal Conferences	Number of respondents	Frequency of response	Average burden per response (minutes)	Estimated total annual burden (hours)	Average theo- retical hourly cost amount (dollars) *	Average wait time in field of- fice or field office telephone call (minutes) **	Total annual opportunity cost (dollars) ***
Title II, Personal Conference (in-office), 404.506: submittal of additional docu- ments, additional mitigating financial in- formation, and verifications for consid- eration at personal conferences	12,950	1	45	9,713	* \$23.47	** 22	*** \$339,340
Title II, Personal Conference (telephone), 404.506: submittal of additional docu- ments, additional mitigating financial in- formation, and verifications for consid- eration at personal conferences	12,950	1	45	9,713	* 23.47	** 48	*** 471,113
Title XVI, Personal Conference (in-office), 416.557: submittal of additional docu- ments, additional mitigating financial in- formation, and verifications at personal conferences	10,250	1	45	7,688	* 23.47	** 22	*** 268,638
Title XVI, Personal Conference (tele- phone), 416.557: submittal of additional documents, additional mitigating finan- cial information, and verifications at personal conferences	10,250	1	45	7,688	* 23.47	** 48	*** 372,891
Title XVIII, Personal Conference, 422.310 (in office); submittal of additional docu- ments, additional mitigating financial in- formation, and verifications at personal conferences	3	1	45	2	* 23.47	** 22	*** 70
Totals	46,403	.....	.....	34,804	.....	.....	*** 1,452,052

* We based this figure on the average disability payments based on SSA's current FY 2026 data (Effect of COLA on Average Social Security Benefits) and on the average U.S worker's hourly wages (Occupational Employment and Wage Statistics), as reported by Bureau of Labor Statistics data.

** We based this figure on the average FY 2026 wait times for field offices (22 minutes) and for teleservice centers (48 minutes which includes the average speed of answer of 7 minutes as well as the average 41-minute wait time for a call back from an SSA technician), based on SSA's current management information data. This figure reflects both data from our systems and the data posted on our public facing website (Social Security performance | SSA) on the date we drafted this document. As the figures fluctuate daily, the wait times may be different on the website than they appear here. We continue to monitor our website and management information data on call back times to ensure we report updated figures when possible.

*** This figure does not represent actual costs that SSA is imposing on recipients of Social Security payments to complete this application; rather, these are theoretical opportunity costs for the additional time respondents will spend to complete the application. *There is no actual charge to respondents to complete the application.*

19. Centenarian and Medicare Non-Utilization Project Development Worksheets: Face-to-Face Interview and Telephone Interview—20 CFR 416.204(b) and 422.135—0960–0780. SSA conducts interviews with centenary Title II beneficiaries and Title XVI recipients, and Medicare Non-Utilization Project (MNUP) beneficiaries age 90 and older to: (1) assess if the beneficiaries are still living; (2) prevent fraud through identity misrepresentation; and (3) evaluate the

well-being of the recipients to determine if they need a representative payee, or a change in representative payee. SSA field office personnel obtain the information through one-time, in-person interviews with the centenarians and MNUP beneficiaries, who are those Title II beneficiaries ages 90–99, who show non-utilization of Medicare benefits for an extended period and the absence of private insurance, health maintenance organization, or nursing home, which are all indicators that an individual may

be deceased. If the centenarians and MNUP beneficiaries have representatives or caregivers, SSA personnel invite them to the interviews. During these interviews, SSA employees make overall observations of the centenarians, MNUP beneficiaries, and their representative payees (if applicable). The interviewer uses the appropriate Development Worksheet as a guide for the interview, in addition to documenting findings during the interview. SSA conducts the interviews

either over the telephone or through a face-to-face discussion with the respondents either in a field office, or at the Centenarian or MNUP beneficiary's residence. Respondents are MNUP and Centenarian beneficiaries, and their representative payees, or their caregivers.

Type of Request: Revision of an OMB-approved information collection.

Method of completion	Number of respondents	Frequency of response	Average burden per response (minutes)	Estimated total annual burden (hours)	Average theoretical hourly cost amount (dollars) *	Average wait time in field office or tele-service centers (minutes) **	Total annual opportunity cost (dollars) ***
MNUP	4,404	1	15	1,101	*\$32.66	** 35	***\$119,826
International Centenarian Project	4,220	1	15	1,055	* 32.66	35**	*** 114,865
Totals	8,624			2,156			*** 234,691

* We based this figure on the average U.S. worker's hourly wages, as reported by Bureau of Labor Statistics data (Occupational Employment and Wage Statistics).

** We based this figure on the average combined FY 2026 wait times for field offices (22 minutes) and for teleservice centers (48 minutes which includes the average speed of answer of 7 minutes as well as the average 41-minute wait time for a call back from an SSA technician), based on SSA's current management information data. This figure reflects both data from our systems and the data posted on our public facing website (Social Security performance | SSA) on the date we drafted this document. As the figures fluctuate daily, the wait times may be different on the website than they appear here. We continue to monitor our website and management information data on call back times to ensure we report updated figures when possible.

*** This figure does not represent actual costs that SSA is imposing on recipients of Social Security payments to complete this application; rather, these are theoretical opportunity costs for the additional time respondents will spend to complete the application. There is no actual charge to respondents to complete the application.

Mark Steffensen,
General Counsel, Chief of Law, Policy and
Legislative Affairs, Social Security
Administration.

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SURFACE TRANSPORTATION BOARD
[Docket No. FD 36652]

**Green Eagle Railroad, LLC—
Construction and Operation
Exemption—in Maverick County, Tex.**

On December 14, 2023, Green Eagle Railroad, LLC (GER), a noncarrier subsidiary of Puerto Verde Holdings (PVH), filed a petition for exemption under 49 U.S.C. 10502 from the prior approval requirements of 49 U.S.C. 10901 to construct and operate approximately 1.335 miles of new, double-tracked common carrier rail line in Maverick County, Tex. (Line). The Line would extend from a bridge (Bridge) crossing the U.S.-Mexico border over the Rio Grande to connect with Union Pacific Railroad Company (UP) at about milepost 31 of UP's Eagle Pass Subdivision and route rail and commercial motor vehicle (CMV) traffic around the urban center of the City of Eagle Pass, Tex. According to GER, rail traffic moving across the border between the City of Eagle Pass, Tex., and Piedras Negras, Coahuila, Mex., currently crosses a single-tracked bridge connecting to a rail line owned and operated by UP and also utilized by BNSF Railway Company (BNSF) via trackage rights on the U.S. side and to a rail line owned by the Mexican federal government with rail operations concessioned to Ferrocarril Mexicano, S.A. de C.V. (Ferromex) on the Mexican side. (Pet. 2.) GER seeks to enter into

agreements with UP and BNSF for this traffic to move to the Line after construction. (*Id.* at 7.)

On March 13, 2024, the Board instituted a proceeding under 49 U.S.C. 10502(b). *Green Eagle R.R.—Constr. & Operation Exemption—in Maverick Cnty., Tex.*, FD 36652, slip op. at 1 (STB served Mar. 13, 2024). Then, on March 29, 2024, pursuant to the National Environmental Policy Act (NEPA), 42 U.S.C. 4321–4370m-11, the Board's Office of Environmental Analysis (OEA) issued a notice of intent to prepare an environmental impact statement (EIS) and invited public comment. *Green Eagle R.R.*, FD 36652 (STB served Mar. 29, 2024). OEA issued another notice on July 8, 2024, informing the public of the availability of the Final Scope of Study (Final Scope) for the EIS. *Green Eagle R.R.*, FD 36652 (STB served July 8, 2024). OEA issued a Draft EIS on March 14, 2025, analyzing the potential environmental impacts of the Line and requesting public comments.

A Final EIS, which responded to the substantive comments received on the Draft EIS, was issued on August 6, 2025. The Final EIS recommends environmental conditions to avoid, minimize, or mitigate the potential environmental impacts of the proposed construction and operation of the Line.

On January 30, 2026, the Board served a decision directing GER to file a supplemental brief to answer questions so that the Board could fully assess the proposal under the exemption criteria of section 10502. *See Green Eagle R.R.*, FD 36652 (STB served Jan. 30, 2026).

After considering the rail transportation policy (RTP) at 49 U.S.C. 10101, including how the potential environmental impacts may implicate that policy, the Board will grant GER's petition for exemption, authorizing GER

to construct and operate over the Southern Rail Alternative (OEA's environmentally preferred alternative), subject to the environmental mitigation measures in the attached Appendix.

Background

GER explains that the Line is part of PVH's Puerto Verde Global Trade Bridge project (Project), a proposal to create a new trade corridor for freight traffic and CMVs extending from Eagle Pass across the U.S.-Mexico border and approximately 17.79 miles into the Mexican State of Coahuila. (Pet. 1.) In addition to the Line, other components of the Project corridor include the GER line in Mexico connecting to Ferromex at the Ferromex Rio Escondido Yard; a new CMV roadway running parallel to the railroad tracks in the U.S. and Mexico; the Bridge, which would cross the Rio Grande River with two spans to carry the railroad tracks and CMV roadway; and customs inspections facilities, including a customs control tower between the Line and CMV roadway to allow for combined multimodal cargo inspection. (*Id.* at 1–2, 6.) GER further states that it has discussed the Project with UP and BNSF and seeks to enter agreements with the carriers to shift their cross-border traffic to the Line. (*Id.* at 7.) GER expressly represents that it would not begin construction of the Line absent such agreements. (GER Suppl. 7.)

According to GER, the purpose of the construction and operation of the Line as part of the larger Project is to “develop an economically viable solution to meet the needs for border infrastructure improvements that will increase safety and facilitate crucial binational trade between the United States and Mexico.” (Pet. 2.) GER notes that the project addresses issues

identified in the Texas Department of Transportation's 2021 Texas-Mexico Border Transportation Master Plan (BTMP), which analyzed capacity at the border and provided recommendations to ease congestion. (*Id.* at 3–5, 7.) The BTMP found that the Eagle Pass Port of Entry is already heavily used, with use projected to increase. (*Id.* at 3.) However, according to GER, the current infrastructure is not well-suited for the projected increased use, as the single-tracked border crossing limits train speeds and freight capacity and prevents simultaneous two-way operations, thus negatively impacting the economy. (*Id.* at 3–5.) In addition, GER notes that insufficient security infrastructure has impacted rail service. (*Id.* at 4.) GER states that rail traffic moving across the border at Eagle Pass currently crosses a single-tracked bridge connecting to a line owned by UP on the U.S. side and owned by the Mexican federal government and operated by Ferromex on the Mexican side.¹ (*Id.* at 2.) On the U.S. side, this traffic now traverses nine at-grade rail crossings in the City of Eagle Pass.² (*Id.*) As noted above, GER says that its proposed construction and operation of the Line is not viable without agreements with UP and BNSF to shift their traffic to the Line, and GER informs the Board that it will not begin construction absent such agreements. (Env't Comment EI 34039, GER Letter 5; GER Suppl. 7.)

GER states that its Line would bypass the current at-grade crossings in the City of Eagle Pass by creating a new, double-tracked corridor with zero at-grade crossings between the interchange point with UP and the Bridge. (Pet. 5–6.) GER explains that the Project corridor is designed to be constructed and operated “under the theory that a moving train is a safe train,” so the Line, like the rest of the Project, will be fully fenced, monitored, and patrolled, allowing continuous movement across the border. (*Id.* at 6–7, 14–15.) The petition notes that from September 19–23, 2023, UP and BNSF had to embargo service at Eagle Pass because Ferromex temporarily suspended service due to migrants climbing aboard railcars and suffering injuries or fatalities. (*Id.* at 4.) GER also says it will provide U.S. Customs and Border Protection (CBP) and the Mexican National Customs Agency (ANAM) with equipment to

conduct non-intrusive inspections of all rail cars crossing the border. (*Id.* at 6–7.) GER notes that it intends to utilize international train crews to limit train stops at the border. (*Id.* at 6.) The petition states that the Line, as part of the larger Project, will result in a safer, more efficient border crossing for rail traffic that facilitates competition with the Canadian Pacific Kansas City Railway (CPKC) Port of Entry at Laredo, Tex., mitigates congestion and other negative economic impacts, eases burdens on the nearby communities, and reduces the risk of any security- or safety-related events that could impact rail service and trade. (*Id.* at 4–5, 14–16.)

GER argues that its proposed line qualifies for an exemption under section 10502 because an application for construction and operation authority under 49 U.S.C. 10901 is not necessary to carry out the RTP; an exemption would promote several provisions of the RTP; and requiring an application is not necessary to protect shippers from an abuse of market power and construction and operation of the Line is limited in scope. (Pet. 11–17.)

Under Executive Order 13867, presidential permits are required for the construction and operation of certain facilities and land transportation crossings at the U.S. borders. Exec. Order No. 13867, 84 FR 15,491–93 (Apr. 10, 2019). The Executive Order states that it is intended to streamline the presidential permitting process and facilitate the expeditious delivery of advice to the President to promote cross-border infrastructure. *Id.* After an application is received by the Secretary of State, the Secretary advises the President whether the issuance of a presidential permit would serve the foreign policy interests of the United States. *Id.* PVH, with Maverick County, Tex., as its public entity sponsor, applied for a presidential permit for this Project to the Secretary of State in October 2023, (Pet. 11), and a presidential permit was granted on May 31, 2024. See Authorizing Maverick Cnty., Tex., to Construct, Maintain, & Operate a Vehicular, Pedestrian, & Rail Border Crossing near Eagle Pass, Tex., at the Int'l Boundary Between the U.S. & Mex. (Presidential Permit), 89 FR 48,247–50 (May 31, 2024).

The Board has received letters supporting GER's petition from U.S. Senators John Cornyn and Ted Cruz; then-U.S. Representative Tony Gonzales; Texas State Representative Eddie Morales, Jr.; and Maverick County Judge Ramsey English Cantú. (See Hon. Cornyn & Hon. Cruz Letter, Feb. 16, 2024; Hon. Gonzales Letter, May 24,

2024; Hon. Morales Letter, Jan. 16, 2024; Hon. Cantú Letter, Jan. 18, 2024.) The Eagle Pass Housing Authority (EPHA) submitted a comment urging the Board to “conduct due diligence” regarding “minimizing noise, vibration and possible chemical spills.” (See EPHA Letter, Apr. 30, 2024.)

UP filed comments opposing GER's petition for exemption on August 25, 2025. UP argues that the Board should deny GER's petition and require a full application if GER wants to proceed with its proposal. In contrast with GER's expressed optimism in working with UP and BNSF, UP states that it “has no intent to discontinue using its border crossing at Eagle Pass.” (UP Comment 10.) UP also questions the Project's financial and operational viability in the event both crossings are used, and it disputes that the petition shows that the Line serves the public interest or meets the criteria for an exemption under section 10502. (*Id.* at 10–15.) UP argues that GER simply seeks to insert itself as an additional rail carrier in the middle of existing UP-Ferromex and BNSF-Ferromex cross-border routes, rather than creating a new, competitive, more efficient option for shippers. (*Id.* at 12.) According to UP, this proposal “would raise rail transportation costs and reduce service quality” because every cross-border movement with GER would require three rail carriers rather than two, thereby weakening UP's and BNSF's ability to compete with CPKC's cross-border operations in Laredo, Tex. (*Id.* at 12–13.)

The Board also received comments opposing the petition from the Eagle Pass Border Coalition (EPBC) on September 8, 2025. EPBC posits that the Board's EIS is inadequate, arguing that it did not include adequate mitigation, consider cumulative impacts, or adequately consider impacts to water quality, wetlands, flood risk, aquatic ecosystems, air quality, traffic, and noise resulting from GER's proposal. (See EPBC Comment.) EPBC also argues that the Board should require GER to file a full application, (*id.* at 14), and that the Line is not in the public interest (*id.* at 5, 11–12).

GER responded to UP's comments and EPBC's comments on September 15, 2025, and September 22, 2025, respectively. In its response to UP, GER argues that a full application is not necessary and that the Board should grant its petition. GER maintains that the Line would serve the public interest because it resolves problems cited in the BTMP, because there is a Congressional presumption that construction projects are in the public interest, and because GER's presidential permit was granted,

¹ BNSF also operates on the U.S. side of the line via trackage rights obtained as a condition of the UP-Southern Pacific merger. See *Union Pac. Corp.—Control & Merger—S. Pac. Rail Corp.*, 1 S.T.B. 233, 410–11, 562 (1996).

² Of the nine public at-grade crossings, two are currently closed to vehicular traffic. (Final EIS 1–2 n.3.)

confirming that the proposal is in the foreign policy interests of the United States. (GER Reply 3–5, Sept. 15, 2025.) GER also reiterates that the proposed Line construction satisfies the criteria for an exemption because it is consistent with the RTP. (*Id.* at 7–16.) In response to EPBC, GER argues that EPBC does not adequately demonstrate its interest in this proceeding, unduly expands the scope of issues raised by conflating the Board’s NEPA obligations with separate applicant obligations under the Clean Water Act, and fails to argue any of the factors for requiring an application instead of a petition for exemption. (GER Reply 6–9, Sept. 22, 2025.) GER also argues that the EIS took the “hard look” required by NEPA. (*Id.* at 10–14.)

On January 30, 2026, the Board served a decision directing GER to file a supplemental brief so that the Board could fully assess the proposal under the exemption criteria of section 10502. *See Green Eagle R.R.*, FD 36652 (STB served Jan. 30, 2026). The Board asked questions regarding the effect this proposal might have on shippers and shipping costs, the status of the proposed line in Mexico and the line that connects Ferromex to the UP-owned bridge at Eagle Pass, the status of negotiations or discussions with UP and BNSF, and GER’s previous representation that it “would be unable to construct and/or operate” the Line if it were “unable to attract all cross border rail traffic.” (*Id.* at 3–4 (quoting Env’t Comment EI 34039, GER Letter 5).) The Board also invited UP and BNSF to respond to the first three questions and directed them to clarify where their respective crew changes currently take place. (*Id.* at 4.)

GER, UP, and BNSF each made supplemental filings in response to the Board’s order on February 13, 2026.³ GER describes the current track in Mexico connecting Ferromex to UP’s bridge⁴ and states that it has no information at this time as to any plan in Mexico to decommission that track. (GER Suppl. 4–5.) GER notes that it has had preliminary discussions with UP and BNSF, which are protected by non-

disclosure agreements, (*id.* at 5–6), and responds that its “vision is to operate like other port and terminal operators that manage congested areas,” and that “[l]ike other port and terminal operators, GER would provide neutral service to interchange partners and carload customers such that no competitive harm would arise from GER’s operations,” (*id.* at 1). GER states that it expects the impact on shipping costs to be negligible because the proposal is a value-add for shippers and could potentially be offset by grants, and that if all rail traffic currently crossing the border at Eagle Pass shifts to GER, it would be because GER reached agreements with UP and BNSF to shift their traffic and utilize the infrastructure GER proposes to build, thus negating any potential competitive harms or operational challenges that may otherwise arise. (*Id.* at 1–2.) The proposal, according to GER, is intended to address current and potential operational harms identified in the BTMP and improve overall efficiency at the border. (*Id.* at 2.) Furthermore, GER again represents that it “would not start building the Proposed Line absent agreements from UP and BNSF to shift their traffic to the Proposed Line post-construction.” (*Id.* at 7.)

UP, in its supplement, argues that GER’s proposal to construct and operate the Line would harm shippers because GER is not proposing to construct enough track to hold an average train clear of the yard in the United States between the Bridge and the connection point with UP and because the proposal increases the number of carriers required to complete the cross-border movement, thus increasing complexity and cost without increasing the number of independent routing options for shippers. (UP Suppl. 4–5.) According to UP, GER recently reinitiated discussions with UP, but has still not resolved UP’s operational concerns. (*Id.* at 2.) UP also contends that the current line in Mexico has ample capacity to support cross-border operations and that UP is continuing to enhance its operations on the current line within the United States. (*Id.* at 3–4.) UP informs the Board that it “began using international crews on November 20, 2025, which allowed it to shift most crew changes from the [current] bridge to Clark’s Park Yard,” that it plans to construct a new lead at the north end of Clark’s Park Yard, and that it anticipates the construction of a second main line from the border to begin as early as 2028. (*Id.* at 3.)

BNSF responds that its crew changes occur on the current bridge and that it has been participating in preliminary

discussions with GER and providing comments regarding certain design aspects that have been shared with BNSF. (BNSF Suppl. 1–2.) BNSF states that it is important BNSF has equal access to the Line and that the preliminary plans shared by GER with BNSF indicate that GER intends to provide equal access to BNSF and UP. (*Id.* at 2.)

Discussion

Rail Transportation Policy Analysis. The construction and operation of new railroad lines require prior Board authorization, either through a certificate under 49 U.S.C. 10901 or, as requested here, an exemption under 49 U.S.C. 10502 from the prior approval requirements of section 10901. “In either case, the [statute] expresses a clear presumption in favor of approving railways.” *Seven Cnty. Infrastructure Coal. v. Eagle Cnty.*, 605 U.S. 168, 194 (2025) (Sotomayor, J., concurring); *see also N. Plains Res. Council v. STB*, 668 F.3d 1067, 1091–92 (9th Cir. 2011) (agreeing that there is a statutory “presumption for construction”); *Mid States Coal. for Progress v. STB*, 345 F.3d 520, 552 (8th Cir. 2003) (same). Section 10901(c) directs the Board to grant rail construction proposals unless it finds the proposal “inconsistent with the public convenience and necessity.” 49 U.S.C. 10901(c); *see Mid States*, 345 F.3d at 552 (quoting current 49 U.S.C. 10901(c)); *Alaska R.R.—Constr. & Operation Exemption—a Rail Line Extension to Port MacKenzie, Alaska*, FD 35095, slip op. at 5 (STB served Nov. 21, 2011) (addressing the Board’s construction exemption process), *aff’d sub nom. Alaska Survival v. STB*, 705 F.3d 1073 (9th Cir. 2013).

Under section 10502(a), the Board shall, to the maximum extent consistent with Title 49, subtitle IV, part A, exempt a transaction when the Board finds that: (1) application of a statutory provision is not necessary to carry out the RTP of 49 U.S.C. 10101; and (2) either (A) the proposal is of limited scope, or (B) application of the provision is not necessary to protect shippers from an abuse of market power. Congress thus has directed the Board to exempt a rail construction proposal from the requirements of the full application process—even if significant in scope—so long as the application of section 10901 is not necessary to carry out the RTP and not needed to protect shippers from market power abuse. *See Alaska Survival*, 705 F.3d at 1082–83; *Vill. of Palestine v. ICC*, 936 F.2d 1335, 1337, 1340 (D.C. Cir. 1991).

Proceeding type. According to UP, the Board should deny GER’s petition and

³ On March 23, 2026, GER filed a letter providing updates regarding funding for the Project and discussions with the City of Eagle Pass. On April 10, 2026, Judge Cantú filed a further update on behalf of Maverick County. On April 13, 2026, the City of Eagle Pass replied to GER’s March 23 letter, stating, among other things, that on April 7, 2026, the Eagle Pass City Council determined that it would not enter into a memorandum of understanding with PVH regarding a proposed partnership along with Maverick County.

⁴ GER and UP describe the current line in Mexico differently: GER describes it as single-track mainline with operational sidings and storage track (GER Suppl. 4–5), while UP states that the line is double tracked (UP Suppl. 4).

require it to file an application if GER wants to move forward with its project. (UP Comment 14.) UP argues that the Line would impose costs on UP, BNSF, and shippers for a line that would be duplicative, inefficient, and financially infeasible, rendering the Line unsuitable for consideration under section 10502. (*Id.*) UP argues that the Line would undermine the RTP, citing 49 U.S.C. 10101(3)-(5), (9), and (14). (UP Comment 12-15.)

UP points to Board statements regarding the benefits of eliminating interchanges and claims that by inserting a duplicative line and a third carrier into the current cross-border route at Eagle Pass, GER would raise transportation costs and reduce service quality. (UP Comment 12-14.) According to UP, this would weaken UP's and BNSF's ability to use Eagle Pass to compete with CPKC's Laredo crossing. (*Id.* at 13.) UP further argues that GER will increase costs for UP and shippers because GER is not constructing sufficient infrastructure to avoid disruptions to rail traffic. (*Id.* at 13-14.) UP contends that the duplicative nature of the Line and the additional costs would be inconsistent with the section 10101(9) policy of encouraging honest and efficient management of railroads. (*Id.* at 14.) UP claims that the Line would undermine sections 10101(3)-(5) because the viability of the Line depends on UP and BNSF agreeing to move their Eagle Pass traffic to the Line, but UP states it will not agree to do that. (*Id.* at 13-14.) UP argues that the current route provides sufficient capacity, but that UP has plans for infrastructure and operational improvements regardless. (*Id.* at 14.) Finally, citing section 10101(14), UP argues that the Line would undermine energy conservation because, while GER's route between its proposed connection to Union Pacific's line and the border will be shorter than Union Pacific's route between the same point and the border, GER's proposed route between the connection and Ferromex's Rio Escondido Yard is longer than Union Pacific's current route, resulting in a net increase in fuel consumption. (*Id.*) Similarly, EPBC argues that the Board should require a full application "and address water quality, air quality and human health risks."⁵ (EPBC Comment 14.)

⁵ GER argues that EPBC does not adequately demonstrate its interest in this proceeding. (GER Reply 6, Sept. 22, 2025.) EPBC states that it is a non-profit organization that "works to ensure a future in which frontline communities are no longer isolated or voiceless from state or federal decision making that affect our home, where we have an active role in the evolution of our community and

As discussed below, the Board has sufficient information in the record to consider GER's petition and conclude that an exemption is warranted under section 10502(a). *See Townline Rail Terminal—Constr. & Operation Exemption—in Suffolk Cnty., N.Y.*, FD 36575, slip op. at 6-8 (STB served Nov. 15, 2023). As a threshold matter, if GER is unable to negotiate an agreement with UP, presumably one that addresses UP's concerns regarding operational issues, transfer costs, and competition, the Line will not be built. GER has repeatedly stated that construction and operation of the Line is not viable without agreements with UP and BNSF to shift their traffic to the Line, and GER has explicitly stated that it will not begin constructing the Line absent such agreements. (Env't Comment EI 34039, GER Letter 5; GER Suppl. 7.) OEA's environmental and historic review accordingly relied on GER's representation that the rail traffic at Eagle Pass would be rerouted to GER's proposed Line for this proposal to come to fruition. (*See* Final EIS at O-2; Env't Comment EI 34039, GER Letter 5.) In addition, GER stated in its presidential permit application that the Bridge "will connect directly to [the Libramento Norte] bypass to reroute commercial vehicle and freight rail traffic outside of urban areas," (Pet., Ex. B at 45), and the presidential permit mandates that "[t]he permittee shall make no substantial change" to the operations authorized by the permit without approval from the President, Presidential Permit, Art. 12.

The Board considers GER's repeated on-the-record statements that it will not construct and operate the Line without reaching agreements with UP and BNSF as material to GER's proposal. The Board has relied on this representation in its assessment of the petition and record below. In the event GER seeks to change its proposal with regard to whether it would construct the Line without an agreement from both UP and BNSF, GER is obligated to inform the Board prior to commencing construction so that the Board may assess the changes and take any appropriate action. The Board will also require GER to file a status report in six months on the progress of the Project, followed by annual status reports thereafter. Those

preservation of our culture." (EPBC Comment 1). The Board will permit EPBC to participate in this proceeding given its uncontested role in advocating for communities potentially affected by the Line. *See City of Phila.—Pet. for Declaratory Ord.*, FD 36768, slip op. at 5 (STB served Sept. 24, 2025) (explaining that "intervention is discretionary" and denying participation due to lack of interest (citing *Knauf Fibre Glass GmbH v. Alton & S. Ry.*, NOR 39739 (ICC served May 9, 1986))); *see also* 49 CFR 1101.2(d).

status reports must include updates on the progress of negotiations with UP and BNSF.

Under these circumstances, requiring an application would not have resulted in a different analysis of the issues raised by EPBC and UP. As noted above, a clear presumption exists in favor of construction projects, whether an applicant seeks Board authorization by filing an application under section 10901 or, as GER has done, by filing a petition for exemption under section 10502. *See Seven Cnty.*, 605 U.S. at 194 (Sotomayor, J., concurring); *N. Plains*, 668 F.3d at 10901-92; *Mid States*, 345 F.3d at 552. Section 10901(c) directs the Board to grant construction authority for proposals that are not deemed "inconsistent with the public convenience and necessity." *See Mid States*, 345 F.3d at 552 (emphasis omitted). Here, through its petition, GER has demonstrated that its proposal serves the public interest, if carried out subject to the environmental conditions imposed by the Board. In addition, as the record shows, an extensive environmental review was conducted by OEA in its preparation of an EIS—the level of environmental review that the Board has often conducted in rail construction projects, regardless of whether the applicant files an application under section 10901 or a petition for exemption under section 10502. That process included a thorough analysis of the potential environmental issues and a reasonable range of alternatives for the Line (given GER's representations) and included ample opportunity for public participation and input.

Given this framework and a record that shows the benefits of the Line, a formal application is not required and would be inconsistent with Congress's directive that the Board exempt such proposals to the maximum extent consistent with Title 49, subtitle IV, part A.

Analysis under section 10502. As noted above, the Board must exempt a proposed rail line construction when it finds that application of the provisions of section 10901 is not necessary to carry out the RTP and not needed to protect shippers from market power abuse. Based on the record here, the Board concludes that the proposed construction qualifies under section 10502 for an exemption from the prior approval requirements of section 10901.

First, construction and operation of the Line would help meet the needs of the public by fostering and enhancing the development and continuation of a sound rail transportation system with effective competition between rail

carriers and other transportation modes and would help ensure sound economic conditions in transportation and cooperation between carriers. 49 U.S.C. 10101(4), (5). Although, as UP contends, GER's proposal to construct and operate the Line would increase the number of carriers required to complete the cross-border movement and might create additional operational complexity, (UP Comment 7–11), GER has repeatedly represented that it would not construct the Line without reaching agreement with UP and BNSF for their Eagle Pass traffic to move to the Line post-construction. The Board believes both Class Is have ample experience in railroad management and the capabilities to negotiate cooperative deals with other carriers in advance of their own interests and can refuse to enter agreements with GER if operational issues cannot be resolved.

Further, any additional operational complexity could be offset by other beneficial features of the Line that would improve safety, security, capacity, and fluidity at Eagle Pass, thus addressing concerns identified in the BTMP. Capacity and fluidity would be enhanced by double-tracking, the absence of at-grade crossings, and the use of international crews that would not need to stop on the Bridge. Moreover, safety and security at Eagle Pass would be improved through GER's plans to fence, monitor, and patrol the Project premises and operate trains continuously so they need not stop on the Bridge. GER also proposes to provide CPB and ANAM with equipment to conduct non-intrusive inspections of all rail cars crossing the border, further enhancing these benefits. These benefits could make Eagle Pass a more attractive option for shippers and improve competition with CPKC's crossing at Laredo.

Although UP alleges that shipping rates might be impacted due to GER's costs of building and operating costs, those concerns are speculative⁶ and could, in theory, apply to any construction project. GER has indicated that it continues to seek financing options, including grants, to minimize impact on shippers and that Board approval of the Line is critical to that effort.⁷ (GER Suppl. 3.) GER further notes that the Line offers the possibility of better cross-border service at Eagle Pass if it is ultimately built and operated

in cooperation with the Class Is, believing that the improved speed, consistency, fluidity, and security could ultimately contribute to lower total logistics costs by reducing in-transit inventory carrying costs, damaged or stolen goods, and production disruptions. (*Id.*) Moreover, with the goal to enhance competition with Laredo, plus GER's stated intention to provide a neutral service that provides a value-add for shippers, the Board expects the Line could be attractive for shippers given the new potential benefits. On top of these potential benefits, the Board notes the Project, having received a presidential permit, has been reviewed for its service in the foreign policy interests of the United States. *See* Exec. Order No. 13867.⁸

Second, the Line would also promote the operation of transportation facilities and equipment without detriment to public health and safety. 49 U.S.C. 10101(8). In addition to the Line's above-noted safety and security improvements, there would be minimal environmental impacts—and in some cases, environmental benefits—with the final environmental mitigation conditions recommended by OEA, as explained below. And by reducing the travel distance within the United States, number of stops, and idle time, the Line would increase energy efficiency, thereby encouraging and promoting energy conservation.⁹ 49 U.S.C. 10101(14); (Final EIS 3–50).

Third, exempting the proposed construction and operation from the requirements of section 10901 would promote the RTP by minimizing the need for regulatory control over the rail transportation system and reducing regulatory barriers to entry. 49 U.S.C. 10101(2), (7). Other aspects of the RTP would not be adversely affected.

Consideration of the proposed construction and operation of the Line under section 10901 also is not necessary to protect shippers from an abuse of market power.¹⁰ As explained, the Line could improve shippers'

competitive options by expanding rail capacity and providing a more efficient rail crossing at Eagle Pass to better compete with the CPKC Laredo Port of Entry. GER expects to provide neutral interchange service to UP and BNSF, and again, the Line will not be built without those carriers' agreement.¹¹ Furthermore, the Board's predecessor, the Interstate Commerce Commission, has previously explained, "[i]n determining whether regulation is necessary to protect shippers from an abuse of market power, a significant consideration is whether the participating shippers actually seeking transportation are concerned about an abuse of market power." *Rail Gen. Exemption Auth.—Pet. of AAR to Exempt Rail Transp. of Selected Commodity Groups*, 9 I.C.C.2d 969, 973 (Sept. 17, 1993). No shippers have opposed GER's petition, let alone expressed any concern about a carrier potentially abusing its market power here.

Environmental Analysis. NEPA requires federal agencies to examine the environmental impacts of proposed federal actions and to inform the public concerning those effects. *See Balt. Gas & Elec. Co. v. Nat. Res. Def. Council*, 462 U.S. 87, 97 (1983). Under NEPA and related environmental laws, the Board must analyze environmental impacts prior to deciding whether to authorize the construction of a new rail line as proposed, deny the proposal, or grant it with conditions (including environmental mitigation conditions). *Lone Star R.R.—Track Constr. & Operation Exemption—in Howard Cnty., Tex.*, FD 35874, slip op. at 4 (STB served Mar. 3, 2016). The Board has "substantial discretion" in assessing the facts relevant to its environmental review and the relevant impacts. *Seven Cnty.*, 605 U.S. at 181. It also has "broad latitude" to "draw a 'manageable line'" regarding the scope of its inquiry. *Id.* at 182 (citing *DOT v. Pub. Citizen*, 541 U.S. 752, 767 (2004)). NEPA does not require that the Board evaluate potential

⁸ The Board need not consider UP's argument that the Line will not be financially viable if less than all cross-border traffic moves to the Line post-construction, (UP Comment 10–11), because GER has represented that it will not start construction without agreements with UP and BNSF to shift all their Eagle Pass traffic. As discussed above, the Board considers this representation material to the proposal.

⁹ While UP argues that additional mileage on the Mexican side of the proposed route will undermine energy conservation, the Board's jurisdiction is limited to the Line itself and its effects. 49 U.S.C. 10501(a)(2)(F).

¹⁰ Given this finding regarding the lack of need for shipper protection, the Board need not determine whether the transaction is limited in scope. 49 U.S.C. 10502(a)(2).

¹¹ In response to questions about the possible removal or decommissioning of the rail line in Mexico connecting Ferromex to the UP International Railroad Bridge at Eagle Pass, *see Green Eagle R.R.*, FD 36652, slip op. at 3–4 (STB served Jan. 30, 2026), GER confirmed "Mexico's strategic desire to reroute rail traffic away from the city center and along the path proposed by the GER corridor." (GER Suppl. 5.) The Board's analysis of the Project could be impacted should the Ferromex line in Mexico be removed or decommissioned, or planned for removal or decommissioning, which would leave UP and BNSF with no choice but to agree to shift their traffic to GER and/or to keep their traffic on GER. Should such removal or decommissioning occur, the Board would consider reopening this proceeding to assess whether further Board action is warranted.

⁶ GER states that project costs could be offset by U.S. and Mexico infrastructure grants. (GER Suppl. 2–3.)

⁷ GER also represents that it would not construct the Line without obtaining agreement from UP and BNSF to move their Eagle Pass traffic to the Line post-construction.

environmental effects arising from “future or geographically separate projects,” “particularly” those over which the Board does not “exercise regulatory authority.” *id.* at 186–89; *see also id.* at 186–87 (“Importantly, the textually mandated focus of NEPA is the ‘proposed action’—that is, the project at hand—not other future or geographically separate projects that may be built (or expanded) as a result of or in the wake of the immediate project under consideration.”) (citing 42 U.S.C. 4332(2)(C)).

Moreover, while NEPA prescribes a process that must be followed, it does not mandate a particular result. *See id.* at 177 (citing *Robertson v. Methow Valley Citizens Council*, 490 U.S. 332, 350 (1989)). Nor does NEPA otherwise impose any “substantive constraints on the agency’s ultimate decision to build, fund, or approve a proposed project.” *Id.* at 180 (emphasis in original); *see also Robertson*, 490 U.S. at 350–51. Rather, in making such decisions, the Board may “weigh environmental consequences as [it] reasonably sees fit under its governing statute and any relevant substantive environmental laws.” *See Seven Cnty.*, 605 U.S. at 173, 177 (citing *Robertson*, 490 U.S. at 350).

There has been a thorough environmental and historic review here. On March 29, 2024, OEA published a Notice of Intent to Prepare an EIS and a Draft Scope of Study (Draft Scope) in the **Federal Register** and requested comments. 89 FR 22,204. During the subsequent comment period, OEA held three public meetings¹² and met with relevant federal, state and local agencies to discuss the scope of the Project.¹³ After considering all comments received, OEA published a Final Scope in the **Federal Register** on July 8, 2024. 89 FR 55,995. Among other things, the Final Scope identified the purpose and need of the Project, summarized the comments received on the Draft Scope, and explained that, in addition to the No-Action Alternative, the EIS would evaluate two build alternatives.

OEA issued the Draft EIS on March 14, 2025. *See Green Eagle R.R.*, FD 36652 (STB served May 20, 2025). The

Line itself in the United States is the only part of the Project that requires licensing authority from the Board. However, because GER and PVH intend to construct and operate the Line and the associated CMV facility as a single port of entry for freight rail and CMV traffic, and because other federal agencies are relying on the Board’s environmental review to meet their own environmental review requirements, the EIS analyzed the effects of constructing and operating the associated CMV facility along with the Line.¹⁴ The Draft EIS considered a No-Action Alternative and two build alternatives, the Southern Rail Alternative (GER’s preferred alignment) and the Northern Rail Alternative. (Draft EIS 2–6.) Under either of the build alternatives, the Project itself would not generate new or additional traffic but would eliminate traffic going through downtown Eagle Pass by rerouting it from the UP mainline to the Line. (*Id.* at 2–15.) Both alternatives include approximately 1.3 miles of secure, double-tracked rail line extending from the existing UP mainline to the Bridge, as well as the associated CMV facility, which would be constructed in a flat area of undeveloped farmland. (*Id.* at 2–8 to 2–18, 3–85.)

The Draft EIS identified and evaluated the potential environmental impacts that the alternatives would have on freight rail safety, grade crossing safety, grade crossing delay, noise and vibration, air quality, energy, cultural resources, biological resources, water resources, land use, visual quality, roadway capacity, roadway safety, topography, geology, soils, hazardous waste sites, and socioeconomic. (*Id.* at 2–21, 3–1 to 3–2.) Overall, OEA concluded that the two build alternatives would have similar impacts. OEA ultimately concluded that the Southern Rail Alternative would be the environmentally preferable option, noting that the potential impacts of that alternative would be similar to, or less than, those of the Northern Rail Alternative, except for visual impacts. (*Id.* at 2–21 to 2–22.) OEA determined that the lesser impacts of the Southern Rail Alternative on noise and water resources would compensate for its greater visual impacts. (*Id.*)

OEA concluded that the environmentally preferred Southern Rail Alternative would provide beneficial impacts on freight rail safety, grade crossing safety and delay, air

quality, and energy. (*Id.* at 3–7, 3–10, 3–13, 3–48, 3–50.) In particular, as noted above, relocating all freight traffic from the UP mainline to the Line would have a beneficial impact on grade crossing delays because current delays at all existing public at-grade crossings in Eagle Pass would be eliminated. (*Id.* at 3–13.) The Southern Rail Alternative would impact species listed or proposed for listing under the Endangered Species Act: the Texas hornshell (a mussel species listed as endangered), the Mexican fawnsfoot (a proposed endangered mussel species) and the monarch butterfly (a proposed threatened species). (*Id.* at 3–65.) Accordingly, OEA coordinated with FWS and developed two mitigation measures that it recommends to ensure compliance with Section 7 of that Act (16 U.S.C. 1536), as well as the Migratory Bird Treaty Act (16 U.S.C. 703–712). (*See Draft EIS* 3–65, 4–3.)

OEA found that operation of the Southern Rail Alternative would cause severe noise impacts to three noise receptors in the vicinity of the Barrera Street Bridge. (*Id.* at 3–34.) However, with OEA’s recommended noise mitigation measures, there would be no severe noise impacts.¹⁵ (*See id.* at 3–42, 4–2.) Furthermore, because the Southern Rail Alternative would reroute rail traffic out of downtown Eagle Pass, it would eliminate existing severe noise impacts to 1,980 receptors. (*Id.* at 3–42.) OEA also found that the Southern Rail Alternative would have minor impacts on water quality due to ground disturbance during construction. (*Id.* at 3–77 to 3–78.) Finally, in consultation with the Texas State Historic Preservation Officer (SHPO), OEA determined that the Southern Rail Alternative and the associated CMV facility would have no adverse effect on National Register of Historic Places-eligible properties, as none are present in the Project’s Area of Potential Effects. (*Id.* at 3–54.) However, because archeological resources may be present deep underground in the floodplain, OEA recommends mitigation requiring GER to conduct archeological surveys prior to constructing the Bridge piers and to provide a construction

¹² At each meeting, simultaneous translation and interpretation from English to Spanish and Spanish to English was provided. In addition, throughout the EIS process, all written materials were made available in both English and Spanish. Any comments received in Spanish were translated and addressed as appropriate.

¹³ The U.S. Coast Guard participated in the environmental review as a cooperating agency, and multiple other agencies participated as consulting agencies, including U.S. Fish and Wildlife Service (FWS), the International Boundary and Water Commission, the U.S. Department of State, and the U.S. Army Corps of Engineers.

¹⁴ Although the EIS analyzed the effects of constructing and operating the associated CMV facility, the Board lacks the jurisdiction to require mitigation for that facility. (Draft EIS 4–1.)

¹⁵ During the EIS process, GER stated that it intends to install 20-foot-high noise barriers on both sides of the tracks between the inspection facility and the western end of the Stormwater Channel Bridge, except on the Barrera Street Bridge and the U.S. 277 Bridge. (Final EIS 3–34.) OEA determined that the gaps in the noise barriers on those two bridges would cause severe impacts to three noise receptors along the Southern Rail Alternative. (*Id.*) Given the severe impacts to those noise receptors, OEA recommends mitigation requiring GER to install noise barriers on both sides of both bridges as well. (*Id.* at 3–34, 4–2.)

monitoring plan.¹⁶ (*Id.* at 3–54, 4–2 to 4–3.)

On August 6, 2025, OEA issued a Final EIS. OEA received 104 written and verbal comments on the Draft EIS from 92 unique commenters, and OEA responded to all substantive comments in the Final EIS. (*See* Final EIS, App. O.) Where appropriate, OEA clarified information and explained its analyses contained in the Draft EIS. (*See id.*) For example, several commenters claimed that the Draft EIS unreasonably assumed all freight traffic via Eagle Pass would use the Line. (*See id.* at O–2 to O–3, O–6 to O–7.) OEA responded, noting GER's representation that it would not construct or operate the Line if it is unable to attract all cross-border freight traffic moving through Eagle Pass, which GER has since reiterated. (*Id.* at O–2 (citing Env't Comment EI 34039, GER Letter 5); *see also* GER Suppl. 7.) Therefore, OEA reasonably analyzed the Line based on the assumption that GER would move all freight traffic at Eagle Pass between Mexico and the U.S. (Final EIS at O–3.) And, as discussed above, GER's representation is material to its proposal and to the Board's analysis, such that GER is obligated to inform the Board prior to construction if there are developments that change this representation. In response to a comment about impacts from the portion of the Project that would be located in Mexico, OEA explained that the scope of the Project over which the Board and other federal agencies have jurisdiction is the portion within the United States and, as a result, an analysis of impacts within Mexico is unlikely to yield information that would be useful to the Board's decision-making process. *See Seven Cnty.*, 605 U.S. at 183. OEA further noted that Mexico has its own environmental permitting processes to which the Project would be subject. Ultimately, none of the comments required additional analysis or substantive changes to the Draft EIS. (Final EIS at S–5.)

As noted above, after OEA issued the Final EIS, EPBC filed a comment challenging the adequacy of the EIS. (*See* EPBC Comment.) Much of EPBC's concerns relate to the U.S. Army Corps of Engineers' (USACE) and the Texas Commission on Environmental Quality's (TDEC) permitting and certification processes under Sections 404 and 401 of the Clean Water Act (CWA) (33 U.S.C. 1341 and 33 U.S.C. 1344), which EPBC conflates with the

requirements of NEPA. (*See* EPBC Comment 3–7, 9–11, 13–14.) As explained in the EIS, these processes are separate from the Board's NEPA and approval processes. (Final EIS at 1–3 to 1–5, 3–66, 4–1, O–15 to O–19.) GER would be required to complete the permitting processes and execute any reasonable permitting requirements of other agencies, including USACE and TDEC, pursuant to their regulatory schemes. (*Id.* at 1–5, 3–69, 3–72, 3–74, 4–1.) Further, OEA addressed potential impacts to water resources in the Final EIS and found that these impacts would not be significant and would be minimized due to existing regulatory requirements. (*See id.* at 2–25, 3–66 to 3–78, O–17 to O–19 (addressing water quality impacts and the location within the 100-year floodplain but still finding minimal impacts).)

The remainder of EPBC's comment largely reiterates issues that were already raised during the environmental review process and addressed in the EIS.¹⁷ (*See id.* at 3–95 (addressing past, present, and reasonably foreseeable future projects and actions that might have impacts that could combine with the impacts of the Line); 2–22, 2–24 to 2–25, 3–54 to 3–66, 4–3 (addressing potential impacts to ecosystems, including on plant communities and wildlife habitat in the portion of the Rio Grande watershed affected by the Line and recommending mitigation); 3–42 to 3–48, App. H, O–5, O–12 to O–13 (addressing impacts on air quality, finding only temporary, localized, and below *de minimis* impacts from construction-related emissions and reduced operation-related emissions); 3–27 to 3–42, 4–2, App. G, O–11 to O–12 (addressing noise impacts and recommending mitigation); 3–15 to 3–22, App. E, O–11 (addressing and finding no impacts to roadway capacity with the installation of a traffic signal); 1–1 to 1–3, 2–7, O–6 (explaining how the Line would serve the stated purpose and need); 1–7, O–7 to O–8 (concluding that additional public meetings were not warranted or required by NEPA).) OEA determined whether mitigation would be necessary to address potential impacts resulting from the Line, and contrary to EPBC's claims, the recommended mitigation measures are reasonable and adequate. (*Id.* at 4–2 to 4–3.)

After reviewing the entire environmental record, the Board is satisfied that OEA has appropriately

examined the potential environmental impacts associated with the proposed construction and operation of the Line. The EIS (Draft and Final) adequately identified and assessed the environmental impacts of the Line, carefully considered a reasonable range of alternatives (including the No-Action Alternative), and recommended mitigation measures to avoid or minimize potential environmental impacts. Accordingly, the Board will adopt the analysis and conclusions made by OEA in the EIS, including OEA's final recommended environmental mitigation measures set forth in the Appendix to this decision. For the reasons explained in the EIS, the Board finds that the Southern Rail Alternative—OEA's environmentally preferred alternative—best satisfies the purpose and need for the Line while minimizing potential impacts on noise and water resources when compared to the Northern Rail Alternative. The Board's exemption will be granted for the Southern Rail Alternative, as indicated below.

Conclusion

Construction and operation of the Line in the manner presented by GER would offer shippers a more fluid freight rail option crossing the U.S.-Mexico border, which would increase safety and security. These improvements may, in turn, encourage competition with other border crossings, foster strong economic conditions in transportation and enhance the development and continuation of a sound rail transportation system. In light of GER's material representation that it will not begin construction absent agreements with UP and BNSF to shift their Eagle Pass traffic to the Line post-construction, shippers will be protected from the potential operational issues that might result from adding another carrier to the traffic pattern at issue here. Those agreements will also help ensure shipper access to each interchange partner. And with OEA's final recommended mitigation, any potential environmental impacts will be minimized.

After carefully considering the transportation merits and environmental issues, the Board, considering the entire record, finds that GER's petition for exemption under section 10502 should be granted. The Board is authorizing construction and operation of OEA's recommended environmentally preferred alternative—the Southern Rail Alternative—as proposed, subject to compliance with the environmental mitigation measures in the Appendix.

It is ordered:

¹⁶ OEA also concluded that the Line and the associated CMV Facility would have no impact or minimal impacts on the following resource areas: Topography, Geology, Soils, and Hazardous Waste Sites; and Socioeconomics. (Final EIS App. I & L.)

¹⁷ EPBC also claims that the Line is not in the public interest. (EPBC Comment 5, 11–12.) This issue relates to the transportation merits of the Line and is addressed above.

1. Under 49 U.S.C. 10502, the Board exempts from the prior approval requirements of 49 U.S.C. 10901 GER's construction and operation of the Southern Rail Alternative for the above-described Line.

2. The Board adopts the environmental mitigation measures set forth in the Appendix to this decision and imposes them as conditions to the exemption granted here.

3. GER must file a status report as directed by October 22, 2026, then annually thereafter.

4. Notice will be published in the **Federal Register**.

5. Petitions for reconsideration must be filed by May 12, 2026.

6. This decision is effective on the date of service.

Decided: April 22, 2026.

By the Board, Board Members Fuchs, Hedlund, and Schultz.

Eden Besera,
Clearance Clerk.

APPENDIX

Noise

MM-Noise-01. GER shall install noise barriers on both sides of the proposed U.S. 277 and Barrera Street bridges to address the severe noise impacts on three receptors that OEA identified. (See Final EIS, Receptors 38, 41, and 42 in *Chapter 3, Affected Environment and Environmental Consequences*, Figure 3.6–5.)

Cultural Resources

MM-Cultural-01. Prior to drilling piles for new bridge piers on the rail line, GER shall conduct additional archaeological surveys via deep mechanical trenching of floodplain areas in the Area of Potential Effects to confirm the presence or absence of deeply buried archaeological deposits.

MM-Cultural-02. GER shall prepare and provide to OEA a construction monitoring plan no later than 30 days prior to the start of construction of the rail line and abide by the provisions of the plan, including any revisions by OEA, during rail construction activities. The plan shall address the following:

1. Training procedures to familiarize construction personnel with the identification and appropriate treatment of historic properties;

2. Monitoring of rail construction activities by a qualified professional archaeologist;

3. Provisions for the unanticipated discovery of archaeological sites or associated artifacts during construction activities, including procedures for notifying OEA and the Texas Historical Commission (THC) or Tribal Historic

Preservation Officer (THPO), pursuant to 36 CFR 800.13(b), in the event of an unanticipated discovery; and

4. Provisions for complying with the Native American Graves Protection and Repatriation Act (25 U.S.C. 3001–3013) and other applicable federal, state, and local laws and regulations in the event of an unanticipated discovery of unmarked human remains during rail construction activities.

Biological Resources

MM-Biological-01. To ensure compliance with Section 7 of the Endangered Species Act (16 U.S.C. 1536), GER shall implement the conservation, minimization, and mitigative measures developed with the U.S. Fish and Wildlife Service (USFWS) during the Section 7 consultation process for the protection of the federally listed or proposed threatened and endangered species that could be affected by the rail line, as stipulated in the letter from USFWS to OEA dated June 16, 2025, and the biological assessment prepared by OEA. (See Final EIS, App. K.)

MM-Biological-02. To ensure compliance with the Migratory Bird Treaty Act (16 U.S.C. 703–712), GER shall clear vegetation in preparation for construction of the rail line before or after the breeding bird nesting season to avoid inadvertent removal of active nests (*i.e.*, nesting adults, young, or eggs). If clearing is required during nesting season, GER shall consult with OEA and USFWS on appropriate nest survey methods for that area prior to any clearing or construction activities.

[FR Doc. 2026–08098 Filed 4–23–26; 8:45 am]

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SURFACE TRANSPORTATION BOARD

[Docket No. FD 36912]

L. Neill Cartage Co., Inc.—Continuance in Control Exemption—Proviso Railroad, Inc. and Mason Railroad, Inc.

L. Neill Cartage Co., Inc. (Cartage), a noncarrier, has filed a verified notice of exemption under 49 CFR 1180.2(d)(2) to continue in control of Proviso Railroad, Inc. (PRR), and Mason Railroad, Inc. (MRR), upon their becoming Class III rail carriers.

This transaction is related to notices of exemption in *Proviso Railroad, Inc.—Acquisition Exemption—L. Neill Cartage Co., Inc.*, Docket No. FD 36874, and *Mason Railroad, Inc.—Acquisition Exemption—L. Neill Cartage Co., Inc.*, Docket No. FD 36875, in which PRR and MRR seek Board approval to acquire

from Cartage and to operate certain rail lines in Illinois.¹

Cartage represents that: (1) the lines that PRR and MRR seek to acquire are the only lines that Cartage will control and that they do not connect with each other; (2) the proposed transactions are not part of a series of anticipated transactions that would result in such a connection; and (3) the transaction does not involve a Class I carrier. Therefore, the proposed transaction is exempt from the prior approval requirements of 49 U.S.C. 11323. See 49 CFR 1180.2(d)(2).

Under 49 U.S.C. 10502(g), the Board may not use its exemption authority to relieve a rail carrier of its statutory obligation to protect the interests of its employees. However, 49 U.S.C. 11326(c) does not provide for labor protection for transactions under 49 U.S.C. 11324 and 11325 that involve only Class III rail carriers. Accordingly, because the proposed transactions involve Class III rail carriers only, the Board may not impose labor protective conditions here.

The earliest this transaction may be consummated is May 9, 2026, the effective date of the exemption (30 days after the verified notice was filed).² If the verified notice contains false or misleading information, the exemption is void ab initio. Petitions to revoke the exemption under 49 U.S.C. 10502(d) may be filed at any time. The filing of a petition to revoke will not automatically stay the effectiveness of the exemption. Petitions for stay must be filed by May 1, 2026.

All pleadings, referring to Docket No. FD 36912, must be filed with the Surface Transportation Board either via e-filing on the Board's website or in writing addressed to 395 E Street SW, Washington, DC 20423–0001. In addition, a copy of each pleading must be served on Cartage's representative, Max Callahan, Fulcrum Rail, 180 North Wacker Drive, Suite 400, Chicago, IL 60606.

According to Cartage, this action is categorically excluded from environmental review under 49 CFR 1105.6(c) and from historic preservation

¹ In Docket No. 36874, PRR filed a notice of exemption under 49 CFR 1150.31 to acquire and operate approximately 712.5 feet of track owned by Cartage in Berkeley, Ill. In Docket No. 36875, MRR filed a notice of exemption under 49 CFR 1150.31 to acquire and operate approximately 665 feet of track owned by Cartage in Bedford Park, Ill.

² Cartage filed its verified notice February 27, 2026. However, that verified notice failed to provide information required by 49 CFR 1180.6(a)(1)(iii). In a decision served on March 30, 2026, the Board postponed the effective date of Cartage's exemption and directed Cartage to file the required information. Cartage filed that information on April 9, 2026. Accordingly, the filing date of Cartage's verified notice is deemed April 9, 2026.

reporting requirements under 49 CFR 1105.8(b).

Board decisions and notices are available at www.stb.gov.

By the Board, Anika S. Cooper, Chief Counsel, Office of Chief Counsel.

Decided: April 21, 2026.

Aretha Laws-Byrum,
Clearance Clerk.

[FR Doc. 2026-07982 Filed 4-23-26; 8:45 am]

BILLING CODE 4915-01-P

SURFACE TRANSPORTATION BOARD

[Docket No. EP 290 (Sub-No. 5) (2026-2)]

Quarterly Rail Cost Adjustment Factor

AGENCY: Surface Transportation Board.

ACTION: Approval of rail cost adjustment factor.

SUMMARY: The Surface Transportation Board has adopted the revised second quarter 2026 Rail Cost Adjustment Factor and cost index filed by the Association of American Railroads.

DATES:

Applicability Date: April 24, 2026.

FOR FURTHER INFORMATION CONTACT:

Laura Schneider, (202) 915-1029. If you require an accommodation under the Americans with Disabilities Act, please call (202) 245-0245.

SUPPLEMENTARY INFORMATION: The rail cost adjustment factor (RCAF) is an index formulated to represent changes in railroad costs incurred by the nation's largest railroads over a specified period of time. The Surface Transportation Board (Board) is required by law to publish the RCAF on at least a quarterly basis. Each quarter, the Association of American Railroads computes three types of RCAF figures and submits those figures to the Board for approval. The Board has reviewed the revised submission and adopts the RCAF figures for the second quarter of 2026. The second quarter 2026 RCAF (Unadjusted) is 1.016. The second quarter 2026 RCAF (Adjusted) is 0.388. The second quarter 2026 RCAF-5 is 0.368. This decision supersedes the decision served in this docket on March 20, 2026. Additional information is contained in the Board's decision, which is available at www.stb.gov.

Authority: 49 U.S.C. 10708.

Decided: April 21, 2026.

By the Board, Board Members Fuchs, Hedlund, and Schultz.

Regena Smith-Bernard,
Clearance Clerk.

[FR Doc. 2026-08028 Filed 4-23-26; 8:45 am]

BILLING CODE 4915-01-P

SURFACE TRANSPORTATION BOARD

[Docket No. FD 36388 (Sub No. 1)]

Belpre Industrial Parkersburg Railroad, LLC—Amendment to Lease and Operation Exemption—CSX Transportation, Inc.

Belpre Industrial Parkersburg Railroad, LLC (BIP), a Class III rail carrier, has filed a verified notice of exemption under 49 CFR 1150.41 to amend the terms under which it leases from CSX Transportation, Inc. (CSXT) and operates approximately 46.9 miles of rail line. BIP states that, after the transaction, it will continue to operate: (1) the Marietta Subdivision, which extends between Belpre, Ohio, at or near CSXT milepost BUS 0.0, and Relief, Ohio, at or near CSXT milepost BUS 38.0, a distance of approximately 38 miles; (2) the Parkersburg Running Track, which extends between Parkersburg, W. Va., at or near CSXT milepost BB 194.59, and Belpre, at or near CSXT milepost BB 189.3, a distance of approximately 5.29 miles; (3) the High Yard, located in Parkersburg at or near CSXT milepost BA 383.04, including all support, ancillary, and other tracks forming the yard; and (4) the High Yard Main Track, which extends through the High Yard, beginning at or near CSXT milepost BA 384.8, through the east end of the yard, and to the end of track, at or near CSXT milepost BA 381.19, in Parkersburg, a distance of approximately 3.61 miles. The Marietta Subdivision, Parkersburg Running Track, and High Yard Main Track are referred to collectively herein as the Lines.¹

According to the verified notice, BIP entered into an agreement to lease from CSXT and operate the Lines in 2020,² and it currently operates the Lines. BIP states that BIP and CSXT have agreed to amend the terms under which BIP leases and operates the Lines once the notice of exemption becomes effective.

BIP certifies that there are no interchange commitments associated with the transaction. BIP also certifies that its projected annual revenues as a result of the proposed transaction will not result in BIP's becoming a Class I or Class II rail carrier and will not exceed \$5 million.

The transaction may be consummated on or after May 10, 2026 the effective

¹ BIP notes that while the High Yard is part of the lease arrangement with CSXT, it is properly classified as excepted track under 49 U.S.C. 10906, and its mileage is excluded from the total calculation of main line track.

² See *Belpre Indus. Parkersburg R.R.—Lease & Operation Exemption—CSX Transp., Inc.*, FD 36388 (STB served Apr. 3, 2020).

date of the exemption (30 days after the verified notice of exemption was filed). If the verified notice contains false or misleading information, the exemption is void ab initio. Petitions to revoke the exemption under 49 U.S.C. 10502(d) may be filed at any time. The filing of a petition to revoke will not automatically stay the effectiveness of the exemption. Petitions for stay must be filed by May 1, 2026 (at least seven days before the exemption becomes effective).

All pleadings, referring to Docket No. FD 36388 (Sub No. 1), must be filed with the Surface Transportation Board either via e-filing or in writing addressed to 395 E Street SW, Washington, DC 20423-0001. In addition, a copy of each pleading must be served on BIP's representative, Bradon J. Smith, Marwedel, Minichello & Reeb, 303 W Madison Street, Suite 1100, Chicago, IL 60606.

According to BIP, this action is categorically excluded from environmental review under 49 CFR 1105.6(c) and from historic preservation reporting requirements under 49 CFR 1105.8(b).

Board decisions and notices are available at www.stb.gov.

Decided: April 21, 2026.

By the Board, Anika S. Cooper, Chief Counsel, Office of Chief Counsel.

Regena Smith-Bernard,
Clearance Clerk.

[FR Doc. 2026-07984 Filed 4-23-26; 8:45 am]

BILLING CODE 4915-01-P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

[Docket No.: FAA-2025-5105; Summary Notice No. 2026-13]

Petition for Exemption; Summary of Petition Received; Airlines for America

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

ACTION: Notice.

SUMMARY: This notice contains a summary of a petition seeking relief from specified requirements of Federal Aviation Regulations. The purpose of this notice is to improve the public's awareness of, and participation in, the FAA's exemption process. Neither publication of this notice nor the inclusion nor 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 May 14, 2026.

ADDRESSES: Send comments identified by docket number FAA–2025–5105 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, 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: Sen O'Tormey, Office of Rulemaking, Federal Aviation Administration, 800 Independence Avenue SW, Washington, DC 20591, at 202–267–9677.

This notice is published pursuant to 14 CFR 11.85.

Issued in Washington, DC.

Dan A. Ngo,

Manager, Part 11 Petitions Branch, Office of Rulemaking.

Petition for Exemption

Docket No.: FAA–2025–5105.

Petitioner: Airlines for America.

Section of 14 CFR Affected:

§ 121.621(a).

Description of Relief Sought:

Petitioner seeks an exemption from

§ 121.621(a), so that member certificate holders may operate flights under a planned redispatch en route, without designating an alternate airport for either the initial or scheduled destination airport in the dispatch release, for flights that are scheduled for more than six hours.

[FR Doc. 2026–08091 Filed 4–23–26; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

[Docket No. FAA–2026–1985]

Agency Information Collection

Activities: Requests for Comments; Clearance of a Renewed Approval of Information Collection: Drug and Alcohol Testing Program for Personnel Engaged in Specified Aviation Activities

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Notice and request for comments.

SUMMARY: In accordance with the Paperwork Reduction Act of 1995, FAA invites public comments about our intention to request the Office of Management and Budget (OMB) approval to renew an information collection. The information collected is used to determine program compliance or non-compliance of regulated aviation employers and contractors (including certificated foreign repair stations that must comply with the FAA's final rule, Drug and Alcohol Testing of Certificated Repair Station Employees Located Outside of the United States), conduct oversight planning, determine employers required to provide annual Management Information System testing (MIS) information, and communicate with entities subject to the program regulations.

DATES: Written comments should be submitted by June 23, 2026.

ADDRESSES: Please send written comments:

By Electronic Docket: www.regulations.gov (Enter docket number into search field).

By mail: Latonya Williams, Federal Aviation Administration, Drug Abatement Division, 800 Independence Avenue SW, Room 806, Washington, DC 20591.

By fax: 202–267–5200

FOR FURTHER INFORMATION CONTACT:

Latonya Williams by email at: Latonya.Williams@faa.gov; phone: 202–267–8442.

SUPPLEMENTARY INFORMATION:

Public Comments Invited: You are asked to comment on any aspect of this information collection, including (a) whether the proposed collection of information is necessary for FAA's performance; (b) the accuracy of the estimated burden; (c) ways for FAA to enhance the quality, utility and clarity of the information collection; and (d) ways that the burden could be minimized without reducing the quality of the collected information. The agency will summarize and/or include your comments in the request for OMB's clearance of this information collection.

OMB Control Number: 2120–0535.

Title: Drug and Alcohol Testing Program for Personnel Engaged in Specified Aviation Activities.

Form Numbers: There are no FAA forms associated with this collection.

Type of Review: Renewal.

Background: The FAA mandates specified aviation entities to conduct drug and alcohol testing under its regulations, Drug and Alcohol Testing Program (14 CFR part 120), 49 U.S.C. 31306 (Alcohol and controlled substances testing), the Omnibus Transportation Employee Testing Act of 1991 (the Act), the FAA Modernization and Reform Act of 2012 (the Act), and the FAA final rule (Drug and Alcohol Testing of Certificated Repair Station Employees Located Outside of the United States). The FAA uses information collected for determining program compliance or non-compliance of regulated aviation employers and contractors (including certificated foreign repair stations that must comply with the FAA's final rule, Drug and Alcohol Testing of Certificated Repair Station Employees Located Outside of the United States), oversight planning, determining who must provide annual MIS testing information, and communicating with entities subject to the program regulations. In addition, the information is used to ensure that appropriate action is taken regarding flight crewmembers and other safety-sensitive employees who have tested positive for drugs, engaged in prohibited alcohol related-conduct, or refused to submit to testing.

Information collected includes 15 categories of information for domestically regulated entities (policy promulgation, registration information if required, supervisory training documentation, employee training documentation, reasonable cause and suspicion documentation, post-accident determination documentation, voluntary disclosure information, emergency maintenance reports, scientifically valid random testing

process information, medical review officer contract recordkeeping, Substance Abuse Professional return-to-duty requirements, and reporting of refusals to take a drug or alcohol test or positive drug or alcohol test results) and five categories of information for foreign repair stations (information related to the issuance of the Drug and Alcohol Testing Paragraph/A449, parent corporation information collection if combining programs, program development and maintenance information, training records, and testing records). Of the responses, the FAA estimates that most (at least 80%) are submitted electronically. The remaining responses consist of recordkeeping and may be accomplished in any form (electronic or otherwise) that the respondents choose.

Respondents: Approximately 7,159 affected entities annually.

Frequency: On occasion.

Estimated Average Burden per Response: 1 hour (rounded up from 0.957 hours per response).

Estimated Total Annual Burden: 325,188 Hours.

Issued in Washington, DC, on April 16, 2026.

Nancy Rodriguez Brown,

Director, Drug Abatement Division, Aviation Safety, AAM-800.

[FR Doc. 2026-07983 Filed 4-23-26; 8:45 am]

BILLING CODE 4910-13-P

DEPARTMENT OF TRANSPORTATION

Federal Highway Administration

[Docket No. FHWA-2026-0497]

Notice of Intent To Prepare a Supplemental Environmental Impact Statement for the PA Turnpike (I-276)/I-95 Interchange Project Stage 3 Delaware River Bridge: Bucks County, Pennsylvania and Burlington County, New Jersey

AGENCY: Federal Highway Administration (FHWA), Department of Transportation (USDOT).

ACTION: Notice.

SUMMARY: FHWA, on behalf of the Pennsylvania Turnpike Commission (PA Turnpike) and the New Jersey Turnpike Authority (NJTA), is issuing this Notice of Intent (NOI) to solicit comment on and advise the public, agencies, tribes and nations, and stakeholders that a Supplemental Environmental Impact Statement (SEIS) will be prepared to evaluate potential transportation improvement for the Pennsylvania Turnpike (I-276)/Interstate 95 Interchange Project. This

SEIS will focus on Stage 3—Delaware River Bridge Project (the Project or DRB Project; SEIS# EISX-XPA-1775577450) in Bristol Township, Bucks County, Pennsylvania (PA) and Florence and Burlington Townships, Burlington County, New Jersey (NJ). Transportation improvements under consideration include the replacement of the existing Delaware River Bridge (DRB) over the Delaware River and reconfiguration of the approach roadways. Persons or agencies who may be affected by the proposed project are encouraged to comment on the information in this notice and the Additional Project Information Document. All comments received in response to this Notice of Intent Document will be considered and any information presented herein, including the preliminary purpose and need, preliminary alternatives and identified impacts, may be revised in consideration of the comments.

DATES: Comments on this NOI and the Additional Project Information Document must be received on or before May 26, 2026.

ADDRESSES: This NOI and the Additional Project Information Document are available in the docket referenced above at www.regulations.gov and on the project website located at <https://www.paturnpike.com/traveling/construction/site/delaware-river-bridge>. Hardcopies of the NOI and the Additional Project Information Document are available at the PA Turnpike's Administration Building at 700 S Eisenhower Blvd., Middletown, PA 17057. The NOI and the Additional Project Information Document will also be mailed upon request. Interested parties are invited to submit comments by any of the following methods:

Website: For access to the documents, go to the Federal eRulemaking Portal location at www.regulations.gov or the Project website at <https://www.paturnpike.com/traveling/construction/site/delaware-river-bridge>. Follow the online instructions for submitting comments.

Mailing address of hand delivery or courier: Federal Highway Administration Pennsylvania Division, 30 North 3rd Street, Suite 700, Harrisburg, Pennsylvania, 17101 or Federal Highway Administration New Jersey Division, 840 Bear Tavern Road, Suite 202, West Trenton, New Jersey, 08628.

Email Address: Michelle Goddard, FHWA Pennsylvania Division at Michelle.Goddard@dot.gov or Sutapa Bandyopadhyay, FHWA New Jersey

Division at Sutapa.Bandyopadhyay@dot.gov.

All submissions should include the agency name and the docket number that appears in the heading of this Notice. All comments received will be posted without change to www.regulations.gov or the Project website at <https://www.paturnpike.com/traveling/construction/site/delaware-river-bridge>, including any personal information provided. A summary of the comments received will be included in the Draft SEIS and all comments received will be included in an appendix to the Draft SEIS.

FOR FURTHER INFORMATION CONTACT:

For FHWA: Michelle Goddard, AICP, Environment Team Leader, Federal Highway Administration, Pennsylvania Division, 30 North Third Street, Suite 700, Harrisburg, PA 17101; email: michelle.goddard@dot.gov; Telephone: (717) 221-3785.

For the PA Turnpike: Lucas Larson, Engineer Project Manager (Environmental), Pennsylvania Turnpike Commission, 700 S Eisenhower Blvd., Middletown, PA 17057; email: llarson@paturnpike.com; Telephone (717) 831-7357.

Persons interested in receiving Project information can sign up at <https://www.paturnpike.com/traveling/construction/site/delaware-river-bridge/news/receive-project-updates> to be placed on the mailing list.

SUPPLEMENTARY INFORMATION: FHWA, as the lead Federal Agency, Pennsylvania Turnpike Commission (PA Turnpike), and the New Jersey Turnpike Authority (NJTA) are preparing a SEIS to evaluate environmental impacts of the construction of a direct connection between I-276 and I-95 in Lower Bucks County, Pennsylvania and Burlington County, New Jersey. The environmental review of the transportation improvement alternatives for the Project will be conducted in accordance with the requirements of the National Environmental Policy Act (NEPA) of 1969, as amended (42 U.S.C. 4321, *et seq.*), 23 U.S.C. 139, FHWA regulations implementing NEPA (23 CFR part 771) and all other applicable Federal, State, and local laws and regulations. The NEPA process is anticipated to be completed by a combined Final SEIS and Record of Decision (ROD) within two years of issuance of this NOI.

The Project subject to this notice is:

Project Location

The Project limits extend east from the PA Turnpike mainline bridge over Mill Creek through the SR 0013 (Bristol Pike) Interchange, I-95 Exit #42 in

Pennsylvania, to the first mainline NJ Turnpike horizontal curve in New Jersey. The total length of the Project study area is approximately 3.2 miles with approximately 1.7 miles of the Project in Pennsylvania and 1.5 miles of the Project in New Jersey.

Preliminary Purpose and Need for the Proposed Action

Background

As part of the 2003 Final Environmental Impact Statement (FEIS), FHWA, PA Turnpike, and NJTA proposed to design and construct a direct connection between I-276 and I-95 in lower Bucks County, Pennsylvania, with the I-276/I-95 Project improvements extending east into Burlington County, New Jersey. Given the size of the I-276/I-95 Interchange Project, the project was broken out into three elements: the Interchange element, the Toll Plaza element, and the Bridge element and then further into Stages. Stage 1 of the Project, which included prerequisite contracts and the two flyover movements connecting I-95 along the east coast, is complete. Stage 2 includes the six remaining interchange ramp movements and associated Pennsylvania Turnpike mainline widening. Select Stage 2 contracts have been constructed, while some are in final design and others have completed preliminary design. The Stage 3 DRB Project builds upon previous studies conducted for the I-276/I-95 Interchange Project between 2003 and 2024.

As identified in the I-276/I-95 Interchange Project's ROD (2003), the Selected Alternative included:

(1) Modified Plaza West consisting of a mainline barrier toll plaza (conventional full width configuration) that incorporates E-ZPass and would be the new eastern terminus of the Pennsylvania Turnpike Toll System;

(2) Single Loop A Interchange that includes ramps to make a direct, high-speed, fully-directional connection between I-95 and I-276; and

(3) Bridge South which introduces a second, parallel structure located adjacent to and just south of the existing DRB and rehabilitation of the existing structure. Thus, both bridges will be used for one-way travel during the design year.

After the I-276/I-95 Interchange Project's ROD was published, certain stages of the Project proceeded through design and into construction. Stage 1 was completed and opened to traffic in September 2018. Stage 1 facilitated a revised routing of I-95 in PA and NJ,

thereby making I-95 continuous along the east coast from Florida to Maine. Project Elements involved in Stage 1 included the Modified Plaza West and the Single Loop A Interchange.

Stage 2, which is partially complete, includes:

- construction of the remaining six new interchange ramp movements which do not have the I-95 designation,
- completion of the Pennsylvania Turnpike mainline widening from two lanes in each direction to three lanes in each direction, and
- associated reconstruction work on the Turnpike and I-95/I-295.

In 2021, the PA Turnpike and NJTA identified funding to begin the design phase for the Stage 3 DRB Project which involves the proposed replacement of the existing structure. This project is intended to connect the six lanes of the Pennsylvania Turnpike (I-95) mainline just east of Exit 42 with six lanes of the New Jersey Turnpike 0.8 miles east of the New Jersey state line.

Due to the amount of time that had elapsed since the Project's 2003 ROD, the needs identified in the I-276/I-95 Interchange Project Purpose and Need statement were re-evaluated and found to still be pertinent to the Stage 3 DRB Project, with one of the needs—*Lack of I-95 continuity through the Mid-Atlantic Region*—already satisfied through the completion of an earlier stage of the project. Additionally, a new purpose statement and new need statement was identified due to a fracture in a structural steel component of an existing approach span truss on the Pennsylvania side which was discovered January 20, 2017. The repair of the fracture required the closure of the bridge for 6 weeks, which resulted in a 42-mile detour for travelers to stay on the interstate system. The fracture was successfully repaired and fully inspected, and the bridge continues to be inspected biennially. However, the bridge continues to deteriorate which would further impact traffic in the future if another incident were to occur.

FHWA concurred on the Updated Project Purpose and Need Report on October 31, 2024. The document is posted on the PA Turnpike's DRB Project website under *Environmental Documentation*. FHWA determined that due to the amount of time that has elapsed, the National Register of Historic Places eligibility of the DRB, updated regulations since the 2003 I-276/I-95 Interchange Project's ROD, and the potential design changes to the Selected Alternative, the Stage 3 DRB Project may result in new or changed significant impacts that were not evaluated in the I-276/I-95 Interchange

Project's FEIS and ROD. Therefore, pursuant to 23 CFR 771.130(a), FHWA determined that a SEIS is necessary to identify and disclose any new significant impacts and mitigation associated with the I-276/I-95 Interchange Project Stage 3 DRB Project.

The I-276/I-95 Interchange Project's EIS, ROD, and Updated Purpose and Need Report are available on the PA Turnpike's DRB Project website under *Environmental Documentation*.

The preliminary Purpose of the proposed Project is to improve I-276 and I-95 linkage for system continuity; provide additional capacity for the current I-276 and I-95 connections; provide additional I-276 and I-95 capacity; improve study area travel times and reduce delay; and secure a vital link in the regional and national interstate transportation network across the Delaware River. The Needs for the proposed Project include inadequate I-276 and I-95 linkage for system continuity; inadequate capacity for the current I-276 and I-95 connections; inadequate capacity on I-276 and I-95; prolonged study area travel times and delays; and lack of service reliability/redundancy of the existing DRB.

The preliminary Purpose and Need was developed with agency coordination and public input, as described in this NOI (see the Additional Project Information Document for details on the development of the Purpose and Need). Agencies and the public are invited to comment on the preliminary Purpose and Need. The preliminary Purpose and Need may be revised based on comments received during the comment period on this notice. The Purpose and Need statement and supporting documentation, including data and public input summary, will be available in the Draft SEIS. The preliminary Purpose and Need has been discussed with Cooperating and Participating Agencies, including information contained in the Additional Project Information Document.

A Preliminary Description of the Proposed Action and Alternatives the Supplemental Environmental Impact Statement Will Consider

Preliminary Alternatives

The preliminary proposed action includes improvements to the DRB and the approach roadways in Pennsylvania (including entrance and exit ramps at the SR0013 (Bristol Pike) Interchange) and New Jersey. Agencies and the public are invited to comment on the Range of Alternatives for the proposed action. The preliminary Range of

Alternatives has been discussed with Cooperating and Participating agencies, including information contained in the Additional Project Information Document. Additional information on the Range of Alternatives is in the Additional Project Information Document. The Range of Alternatives proposed to be considered in the SEIS include:

No Build

The No Build Alternative will be retained for detailed study and will serve as a benchmark for comparison with the Build Alternatives. The No Build Alternative would maintain the existing DRB and approach roadways in their current configuration. The existing DRB is approximately 6,571 feet long with a main span of 682 feet over the river channel and carries two travel lanes in each direction. The New Jersey approach roadway is currently three lanes in each direction, as will be the Pennsylvania approach, ultimately. The No Build Alternative would include existing maintenance and any current fiscally constrained projects. This alternative would not affect any social, economic, cultural, or natural resources, but it would not address any of the Project's Purpose or Needs.

Alternative NSA (North Staged Alternate)

Alternative NSA consists of constructing a single bridge, in stages, to the north of the existing DRB. The proposed structure will be offset from the existing DRB structure to allow for the existing main river bridge and approach to remain in service during the first phase of construction. A maximum offset of 74 feet between the centerline of the existing and proposed bridges was utilized to develop the horizontal geometry for this alternative. The horizontal offset requires the proposed river piers to be constructed offset from the existing river piers, resulting in an increased span length. Alternative NSA shifts the outside barrier of the proposed DRB 130 feet north of the existing barrier and provides a clearance of 30 feet between the southernmost proposed Stage 1 barrier and the existing bridge.

The proposed alignment impacts the existing structures carrying I-95/I-276 over Green Lane and the East Penn Railroad. Additionally, the proposed widening will impact the existing eastbound entrance ramp and both the westbound entrance and exit ramps at the SR 0013 (Bristol Pike) Interchange. The proposed design includes add/drop lanes at the entrance and exit ramps to accommodate the proposed widening,

allowing for adequate acceleration and deceleration lane lengths. It is anticipated that the future configuration of the corridor will include three lanes in each direction through the interchange with acceleration and deceleration lanes extending through the proposed structures over Green Lane and the East Penn Railroad. The proposed structures have been designed to accommodate the future configuration (three through lanes and an auxiliary lane in each direction).

This alternative requires staged construction for the approach span structures and main river span. Temporary pavement will be required to accommodate staged construction. The interchange structure is not impacted by this alternative. Since this structure is not anticipated to be replaced, multiple work zones are anticipated to maintain traffic during construction.

Alternative NPI (North Partial Impact)

Alternative NPI consists of constructing a single bridge to the north of the existing DRB. The proposed structure will be offset from the existing DRB to allow for the existing main river bridge and approach to remain in service during construction. A maximum offset of 195 feet between the centerline of the existing DRB and proposed bridges was utilized to develop the horizontal geometry for this alternative. The horizontal offset was established to allow the proposed river piers to be constructed adjacent (in-line) with the existing river piers. This alternative shifts the outside barrier of the proposed bridge structure 230 feet north of the existing barrier and provides a clearance of 70 feet between the southernmost proposed barrier and the existing DRB.

The proposed alignment impacts the existing structures carrying I-95/I-276 over Green Lane and the East Penn Railroad. Additionally, the proposed widening will impact the existing eastbound entrance ramp and the westbound entrance ramp at the SR 0013 (Bristol Pike) Interchange. The proposed design includes add/drop lanes at the entrance and exit ramps to accommodate the proposed widening, allowing for adequate acceleration and deceleration lane lengths. It is anticipated that the future configuration of the corridor will include three lanes in each direction through the SR 0013 (Bristol Pike) Interchange with acceleration and deceleration lanes extending through the proposed structures over Green Lane and the East Penn Railroad. The proposed structures have been designed to accommodate the future configuration (three through

lanes and an auxiliary lane in each direction). The Ramp B entrance ramp will also be extended to provide adequate acceleration lane length. This alternative allows for the approach span structures and main river span structure to be constructed in a single stage.

Concepts Considered But Proposed Not To Be Retained for Detailed Study in the SEIS

The following alternatives were evaluated as part of a comprehensive Alternatives Analysis and are not being retained for detailed study. These alternatives were dismissed as they would result in higher potential impacts to the natural, cultural, and/or socioeconomic environment while providing less benefits than the build alternatives being carried forward into the SEIS. Additional information on the reasons for their dismissal can be found in the Additional Project Information Document associated with this NOI.

Alternative SNI: New Bridge to the South With No Impact to Existing Approach Spans

Alternative SNI consists of constructing a single bridge to the south of the existing DRB. The proposed bridge structure will be offset from the existing DRB to allow for the existing main river bridge and approach roadway to remain in service during construction. A maximum offset of 195 feet between the centerline of the existing and proposed main river span bridges would be utilized to develop the horizontal geometry for this alternative. The horizontal offset would be established to allow the proposed river piers to be constructed adjacent (in-line) with the existing river piers. This alternative shifts the outside barrier of the proposed bridge structure 230 feet south of the existing DRB barrier and provides a clearance of 70 feet between the northmost proposed barrier and the existing DRB.

Alternative SPI: New Bridge to the South With Partial Impact to Existing Approach Spans

Alternative SPI consists of constructing a single bridge to the south of the existing DRB. The proposed bridge structure would be offset from the existing DRB to allow for the existing DRB and approach to remain in service during construction and includes a partial impact to the cantilevered overhang on the existing approach span structure. The partial impact includes the removal of the existing Pennsylvania approach bridge deck that is outside of the limits of the girder. Two lanes of traffic would still

be maintained in both directions, and the removal only impacts the first span in Pennsylvania. A maximum offset of 195 feet between the centerline of the existing and proposed main river span bridges would be utilized to develop the horizontal geometry for this alternative. The horizontal offset would be established to allow the proposed river piers to be constructed adjacent (in-line) with the existing river piers. This alternative shifts the outside barrier of the proposed bridge structure 230 feet south of the existing DRB barrier and provides a clearance of 70 feet between the northmost proposed barrier and the existing DRB.

Alternative NNI: New Bridge to the North With No Impact to Existing Approach Spans

Alternative NNI consists of constructing a single bridge to the north of the existing DRB. The proposed bridge structure would be offset from the existing DRB and approach to remain in service during construction. A maximum offset of 195 feet between the centerline of the existing and proposed main river span bridges would be utilized to develop the horizontal geometry for this alternative. The horizontal offset would be established to allow the proposed river piers to be constructed adjacent (in-line) with the existing river piers. This alternative shifts the outside barrier of the proposed bridge structure 230 feet north of the existing DRB barrier and provides a clearance of 70 feet between the southernmost proposed barrier and the existing DRB. Approach span structures and the main river span structure are located entirely on horizontal tangents for this alternative.

Alternative DNI: Dual Bridges With No Impact to the Existing Approach Spans

Alternative DNI consists of dual bridges, one to the north and one to the south of the existing DRB. The proposed bridge structures would be offset from the existing DRB and approach to remain in service during construction. A maximum offset of 149 feet between the centerline of the existing DRB and baselines of the proposed bridges would be utilized to develop the horizontal geometry for this alternative. The horizontal offset would be established to allow the proposed river piers to be constructed adjacent (in-line) with the existing river piers. This alternative shifts the outside barrier of the proposed bridge structures 150 feet north and south of the existing DRB barrier and provides a clearance of 70 feet between

the proposed barriers and the existing DRB.

Alternative DPI: Dual Bridges With Partial Impact to Existing Approach Spans

Alternative DPI consists of dual bridges, one to the north and one south of the existing DRB. The proposed bridge structures would be offset from the existing DRB to allow for the existing DRB and approach to remain in service during construction. This alignment could include a partial impact to the cantilevered overhang on the existing approach span structure, though ultimately the two structures do not overlap. The two structures remain separated by a small margin (approximately 3 feet) for this alternative. Minor impacts may still be required to the existing DRB approach span for construction activities to build the new bridge. A maximum offset of 149 feet between the centerline of the existing bridge and the baselines of the proposed bridges would be utilized to develop the horizontal geometry for this alternative. The horizontal offset would be established to allow the proposed river piers to be constructed adjacent (in-line) with the existing river piers. This alternative shifts the outside barrier of the proposed structures 150 feet north and south of the existing DRB barrier and provides a clearance of 70 feet between the proposed barriers and the existing DRB.

Alternative NS: New Bridge to the North With Staged Construction

Alternative NS consists of constructing a single bridge, in stages, to the north of the existing DRB. The proposed bridge structure would be offset from the existing DRB to allow for the existing DRB and approach to remain in service during the first phase of construction. A maximum offset of 113 feet between the centerline of the existing DRB and proposed bridges would be utilized to develop the horizontal geometry for this alternative. The horizontal offset would be established to allow the proposed river piers to be constructed adjacent (in-line) with the existing river piers. This alternative shifts the outside barrier of the proposed bridge structure 150 feet north of the existing DRB barrier and provides a clearance of 70 feet between the southernmost proposed barrier and the existing DRB.

Alternative DS: Dual Bridges With Staged Construction

Alternative DS consists of constructing dual bridges in stages. The proposed westbound bridge would be

constructed north of the existing DRB. The proposed eastbound bridge would be constructed on the existing alignment. The proposed westbound structure would be offset from the existing structure to allow for the existing DRB and approach to remain in service during construction. A maximum offset of 106 feet between the centerline of the existing DRB and proposed westbound bridge would be utilized to develop the horizontal geometry for this alternative. This alternative shifts the outside barrier of the proposed bridge structure 130 feet north of the existing DRB barrier and provides a clearance of 30 feet between the southernmost proposed bridge and the existing DRB. The horizontal offset requires the proposed river piers to be constructed offset from the existing river piers, resulting in an increased span length.

The alternatives to be retained will be finalized after the consideration of public comments received during the comment period on this NOI and they will be documented in the Draft SEIS. The alternatives may be revised based on the consideration of public comments. The alternatives not retained will also be documented in the Draft SEIS. See the Additional Project Information Document for a more detailed description of the development of the Preliminary Range of Alternatives.

Brief Summary of Expected Effects

The SEIS will evaluate the potential social, economic, and environmental effects resulting from the implementation of the Build Alternatives and the No Build Alternative. FHWA, PA Turnpike, and NJTA will seek input from the public, tribes and nations, and agencies during the SEIS development process regarding the effects of the DRB Project. FHWA, PA Turnpike, and NJTA will evaluate effects on environmental and community resources in accordance with their NEPA guidance and procedures. The following are the most sensitive resources in the Project area and will be evaluated closely by FHWA, PA Turnpike, and NJTA:

- *Wetlands and other Waters of the U.S.:*

Both build alternatives would require dredging and filling of Waters of the U.S. and result in effects to wetlands considered to be jurisdictional which will require a Section 404 Permit from the United States Army Corps of Engineers (USACE).

- *Wildlife and Wildlife Habitat:*

Both build alternatives have the potential to affect wildlife and wildlife

habitat. Such effects would be assessed by considering the Project's footprint, vibration (particularly during construction), and stormwater runoff.

- **Endangered Species:**

Both build alternatives include work within the Delaware River, including the construction and removal of temporary causeways, placement of piers, and other construction-related activities. It is anticipated that the proposed work will have potential effects on the federally listed (endangered) Atlantic Sturgeon and Shortnose Sturgeon.

- **Cultural Resources:**

Both build alternatives would result in the removal of the DRB, which is eligible for listing in the National Register of Historic Places. The Delaware Canal, a National Historic Landmark, is also within the project area. Efforts will be made to avoid or minimize impacts to the canal to the extent practicable. Additionally, based on archaeological sensitivity assessments in PA and NJ, there is potential for both pre-contact and historical archaeology within the project study area. Further investigations and coordination will be conducted when the Preferred Alternative is identified.

- **Navigation:**

Both alternatives would span the Delaware River—a navigable waterway under United States Coast Guard (USCG) jurisdiction. Preliminary coordination with the USCG is underway.

- **Floodplains:**

Portions of both build alternatives are within the 100-year floodplain, or base floodplain, so there is the potential for encroachments on floodplains from the proposed project.

- **Community Effects:**

Both build alternatives would result in potential effects on communities within the Project area. It is anticipated that the effects would be from potential right-of-way acquisitions and relocations, as well as the potential for increased traffic noise. Additionally, there would likely be temporary effects on traffic, air quality, and noise during the construction of the proposed Project.

The SEIS will evaluate the expected impacts and benefits to the known resources above, as well as the following: Land use and right-of-way, forested areas, Delaware estuary coastal zone, submerged aquatic vegetation, Section 4(f) resources, air quality, transportation, commercial and industrial land uses, hazardous waste sites, visual resources, and recreational trails. The level of review of the identified resources will be commensurate with the anticipated

effects to each resource from the proposed Project and will be governed by the statutory and regulatory requirements protecting those resources.

The analyses conducted for the SEIS will identify the potential for effects; avoidance measures; whether the anticipated effects would be 'adverse'; and the appropriate environmental mitigation measures. Additional information on the expected effects is provided in the Additional Project Information Document available for review in the docket established for this proposed Project and on the Project website as noted in the **ADDRESSES** section.

Agencies, tribes and nations, stakeholders, and the public are invited to comment on the expected effects. See the Additional Project Information Document for a more detailed description of the Summary of Expected Effects. The Draft SEIS will present the studies to identify effects and the analyses of effects from the retained alternatives.

The 2003 ROD states that preliminary investigations were conducted to determine the feasibility of a bicycle/pedestrian facility on the Delaware River Bridge and that eight (8) substantive issues were identified that prevented incorporation of a multi-modal component in the proposed action. The ROD stated that "should circumstances change prior to construction, such that the above listed concerns are resolved or nullified, FHWA and the sponsoring agencies could then re-evaluate the incorporation of a bicycle/pedestrian facility pathway along the proposed Delaware River Bridge Element." As such, the SEIS will address the eight substantive issues identified in the 2003 ROD.

Additionally, the ROD documented that there is "no safe crossing of the canal towpath and Delaware River Heritage Trail across Route 13 in Bristol Township." While conceptual designs for an improved crossing were documented in the FEIS, further coordination with interested parties to address concerns will occur and any relevant project solution(s) will be included in the SEIS.

Anticipated Permits and Other Authorizations

A Clean Water Act Section 404 Permit decision from the USACE is anticipated July 2028. Other likely Federal and State authorizations include Clean Water Act Section 401 Water Quality Certification, USCG Navigation Permit, New Jersey Department of Environmental Protection (NJDEP) Flood Hazard Area Individual Permit, NJDEP Waterfront Development

Individual Permit, compliance with NJDEP Stormwater Management regulations and performance standards, NJDEP Freshwater Wetlands Individual Permit, PADEP Waterway Encroachment Sections 105 and 106, and the PAFBC Aids to Navigation (ATON) Plan. Per U.S.C. 139(d)(10), the Federal permits and authorizations should be completed by no later than 90 days after the issuance of the Record of Decision (ROD). Subject to regulatory review, the Project sponsors, PA Turnpike and NJTA, have committed to obtaining permits within 90 days of the issuance of the ROD.

Section 7 consultation under the Endangered Species Act is expected to be concluded April 2027. Section 106 of the National Historic Preservation Act is anticipated to be concluded August 2027. The USCG Permit is anticipated to be issued July 2028. See the Additional Project Information Document for more details on the anticipated permits and authorizations.

Schedule for Decision-Making Process

23 U.S.C. 139 mandates that the Record of Decision for major projects be issued no later than two years from the date the Notice of Intent is published. The Project Schedule for the PA Turnpike Project will follow the two-year requirement. Cooperating and Participating Agencies have reviewed the schedule and agencies with permitting or other authorizations, including the United States Environmental Protection Agency (USEPA), the USACE, the USCG, the Pennsylvania Game Commission, and the Pennsylvania Historical and Museum Commission (as the Pennsylvania State Historic Preservation Office or SHPO) have confirmed that the schedule is appropriate. Per U.S.C. 139(d)(10), permits and authorizations should be completed by no later than 90 days after the issuance of the ROD. Subject to regulatory review, the Project sponsors, PA Turnpike and NJTA, have committed to obtaining permits within 90 days of the issuance of the ROD. Following the issuance of this NOI, FHWA, PA Turnpike, and NJTA will coordinate with Cooperating and Participating Agencies to develop study documentation and the Draft SEIS.

- The Draft SEIS is anticipated to be issued in Fall 2026.

- The combined Final SEIS and ROD are anticipated in Spring 2028.

- A Section 404 Permit decision from the USACE is anticipated in Summer 2028.

See the Additional Project Information Document for additional schedule details.

Description of the Public Scoping Process, Including Scoping Meetings

The scoping process for this SEIS will include a 30-day comment period initiated on the date the NOI is published in the **Federal Register**. The public will be able to submit comments by email, telephone, and mail. PA Turnpike and NJTA will post public materials on the Project website, including a Project overview video, frequently asked questions, and previous meeting materials.

Outreach Conducted to Date

Prior to the publication of this NOI, the PA Turnpike and NJTA conducted a public survey and held two rounds of public meetings.

Public Survey

In Fall 2024, the PA Turnpike and NJTA provided the public and public officials with an overview of the project and status update. In addition, the PA Turnpike and NJTA conducted a public survey from November 27, 2024, through January 10, 2025, to solicit input on the proposed Project. Over 1,280 surveys, representing the project area in Pennsylvania and New Jersey, were completed.

Public Meeting Series Round 1

Virtual Public Officials Meeting

February 27, 2025

Virtual Public Meeting March 12, 2025

Public Meeting in Pennsylvania March 19, 2025

Public Meeting in New Jersey March 20, 2025

Public Comment Period March 12, 2025–April 12, 2025

More than 300 people attended the first round of meetings to learn about ongoing environmental work, the SEIS process, the Project Purpose and Need, the Alternatives Analysis and Preliminary Engineering processes, future public involvement opportunities, and results from the public survey conducted in late 2024–early 2025.

Public Meeting Series Round 2

Virtual Public Officials Meeting

September 24, 2025

Virtual Public Scoping Meeting October 14, 2025

Public Scoping Meeting (Pennsylvania) October 15, 2025

Public Scoping Meeting (New Jersey) October 16, 2025

Public Comment Period October 14, 2025–November 14, 2025

More than 200 people attended the second round of meetings which were conducted virtually and in person

utilizing an open-house format. Attendees learned about the status of the Project, the SEIS process, the results of the Alternatives Analysis, the Preliminary Range of Alternatives, anticipated environmental effects and permits, future public involvement opportunities, and the Project schedule.

Agency Scoping

FHWA, PA Turnpike, and NJTA identified agencies who would likely serve as Cooperating and Participating Agencies for the SEIS. In March 2024, PA Turnpike, NJTA, and FHWA informed resource agencies, including those likely to become Cooperating and Participating Agencies, on initial scoping activities for the SEIS.

Formal coordination with PA and NJ resource agencies has occurred through PennDOT's Agency Coordination Meetings and through resource-specific meetings involving one or more jurisdictional agencies. A summary of agency coordination is included below.

March 27, 2024

- Introduction of Project, including Project History.
- Discussion of Preliminary Project Purpose and Need.
- Notice that Cooperating and Participating Agency letters were sent.

May 21, 2024 (NJ HPO Field View)

- Held field view and reviewed resources to be evaluated.

July 1, 2024 (PA SHPO Field View)

- Held field view and reviewed resources to be evaluated.

October 23, 2024

- Discussion of Purpose and Needs.
- Review of Agency Coordination Plan.
- Announcement of upcoming public involvement activities, including Public Meeting No. 1.

February 26, 2025

- Discussion of public comments received from Public Meeting No. 1.
- Requested concurrence from Cooperating and Participating agencies on Purpose and Need.
- Discussion on gap analysis and resource methodologies.

March 2025

- Concurrence from the six (6) Cooperating Agencies on the Project's Purpose and Needs.

June 12, 2025

- Pre-Application Meeting with NJDEP.

- Overview of the Project, including history, study area, and Purpose and Needs.

- Discussion of resources present in the study area, proposed resource methodologies, and potential permits.

September 24, 2025 (Formal Scoping Meeting)

- Discussion of preliminary range of alternatives.
- Discussion of resources and potential effects.
- Discussion of anticipated permits and approvals.
- Discussion of resource methodologies.

November 17, 2025

- Tribal Consultation Meeting with tribes and nations having ancestral ties to the project area to provide an overview of and request input on the proposed project.

November 2025

- Concurrence from the six (6) Cooperating Agencies on the preliminary range of alternatives.

January 30, 2026

- Coordination meeting with NOAA Fisheries to provide an update on the proposed project and to discuss consultation under the Endangered Species Act and Magnuson-Stevens Act.

February 19, 2026

- Pre-Application Meeting with the NJDEP to discuss the anticipated permits and associated permitting schedule.

In accordance with 23 U.S.C. 139, an Agency Coordination Plan and a Public Coordination Plan have been developed. These Plans establish frameworks for coordination among the Federal, State, and local agencies, tribes and nations, and the public in the development of the SEIS. The Agency Coordination Plan and Public Coordination Plan are available on the PA Turnpike's DRB Project website under *Environmental Documentation*.

Public Review

A 30-day comment period is being held in association with this NOI. Agencies, tribes and nations, and the public are invited to comment on the Environmental Analysis Methodologies, Purpose and Need, and Range of Alternatives for the proposed action. Comments may be submitted according to the instructions in the **ADDRESSES** section of this NOI. Interested persons can sign up to receive email announcements, notifications, and newsletters on the Project website.

Public hearings will be held during the development of the SEIS, as described below. Generally, the locations, dates, and times for each public hearing will be publicized through the Project website, in the Bucks County Courier Times (PA) and the Burlington County Times (NJ), and via direct mail. Promotional materials for the public hearing will be translated into Spanish, Mandarin and Russian, per the census data for the project area. Materials will be available at the hearings and oral and written comments will be solicited. Translation services will be available upon request.

Joint Public Hearings on the Draft SEIS

Notice of availability of the Draft SEIS for public and agency review will be published in the **Federal Register** and through other methods which will identify where interested parties can go to review a copy of the Draft SEIS. Due to the bistate nature of the Project, joint public hearings will be conducted in both Pennsylvania and New Jersey by PA Turnpike, NJTA, FHWA, and USACE and announced a minimum of 30 days in advance. PA Turnpike, NJTA, and USACE will provide information on the joint public hearings, including the locations, dates, and times for the hearings through a variety of means including the Project website <https://www.paturnpike.com/traveling/construction/site/delaware-river-bridge> and by newspaper advertisement in each state.

Request for Comment on Alternatives and Effects, as Well as on Relevant Information, Studies, or Analyses With Respect to the Proposed Action

To ensure that a full range of issues related to the Project is addressed in the SEIS and potential issues are identified, FHWA, PA Turnpike, and NJTA invite comments and suggestions from interested parties. FHWA, PA Turnpike, and NJTA request comments and suggestions on the purpose and need, potential alternatives and effects, and the identification of any relevant information, studies, or analyses of any kind concerning impacts affecting the quality of the human and natural environment. Comments may be submitted according to the instructions in the **ADDRESSES** section of this Notice. The purpose of this request is to bring relevant comments, information, and analyses to the agency's attention, as early in the process as possible, to enable the agency to make maximum use of this information in decision-making.

Identification of Cooperating and Participating Agencies, and Information That Such Agencies Require in the Notice

Cooperating and Participating Agencies in the development of the SEIS are:

- *Cooperating Agencies:*

U.S. Environmental Protection Agency, U.S. Army Corps of Engineers, U.S. Coast Guard, National Oceanic and Atmospheric Administration (NOAA) Fisheries, Pennsylvania Historical and Museum Commission (as the Pennsylvania State Historic Preservation Office or SHPO), and Pennsylvania Game Commission.

- *Participating Agencies:*

National Park Service, Delaware Nation—Oklahoma, Delaware Tribe of Indians—Oklahoma, Stockbridge Munsee Community—Wisconsin, Pennsylvania Department of Conservation and Natural Resources, Pennsylvania Fish and Boat Commission, and Burlington County Soil Conservation District.

Beginning in March 2024, PA Turnpike and NJTA convened Cooperating and Participating Agencies in agency coordination meetings to discuss the development of the SEIS, including the preliminary Purpose and Need, preliminary Range of Alternatives, draft NOI and Additional Project Information Document. At a September 24, 2025, agency coordination meeting, PA Turnpike and NJTA described the requirements under 23 U.S.C. 139 and asked for input. No agencies have requested information to be included in the NOI.

Unique Identification Number. All environmental documents prepared for the proposed action will reference the following unique identification number: EISX-XPA-1775577450.

Authority: 42 U.S.C. 4321 *et seq.*; 23 U.S.C. 139; 23 CFR part 771.

David Snyder,

Acting Division Administrator, FHWA Pennsylvania Division.

Camille Otto,

Acting Division Administrator, FHWA New Jersey Division.

[FR Doc. 2026-08014 Filed 4-23-26; 8:45 am]

BILLING CODE 4910-22-P

DEPARTMENT OF TRANSPORTATION

National Highway Traffic Safety Administration

National Emergency Medical Services Advisory Council Notice of Public Meeting

AGENCY: National Highway Traffic Safety Administration, U.S. Department of Transportation (DOT).

ACTION: Notice of public meeting.

SUMMARY: This notice announces meetings of the National Emergency Medical Services Advisory Council (NEMSAC).

DATES: This meeting will be transmitted via virtual interface. This meeting is scheduled to be held on May 20, 2026, from 12:00 p.m. to 5:00 p.m. ET. Pre-registration is required to attend this meeting. Once registered, a link permitting access to the meeting will be distributed to registrants by email. If you wish to speak during the meeting, you must submit a written copy of your remarks to DOT by May 13, 2026.

ADDRESSES: General information about the Council is available on the NEMSAC internet website at www.ems.gov. The registration portal and meeting agenda will be available on the NEMSAC internet website at www.ems.gov at least one week in advance of the meeting.

FOR FURTHER INFORMATION CONTACT: Clary Mole, EMS Specialist, National Highway Traffic Safety Administration, U.S. Department of Transportation is available by phone at (202) 868-3275 or by email at Clary.Mole@dot.gov. Any committee-related requests should be sent to the person listed in this section.

SUPPLEMENTARY INFORMATION:

I. Background

NEMSAC is authorized under Section 31108 of the Moving Ahead for Progress in the 21st Century (MAP-21) Act of 2012, codified at 42 U.S.C. 300d-4 as a Federal Advisory Committee. The purpose of NEMSAC is to serve as a nationally recognized council of emergency medical services (EMS) representatives to provide advice and consult with:

a. The Federal Interagency Committee on Emergency Medical Services (FICEMS) on matters relating to EMS issues; and

b. The Secretary of Transportation on matters relating to EMS issues affecting DOT.

The NEMSAC provides an important national forum for the non-Federal deliberation of national EMS issues and serves as a platform for advice on DOT's national EMS activities. NEMSAC also

provides advice and recommendations to the FICEMS.

II. Agenda

At the meeting, the agenda will cover the following topics:

- New Representative Introductions
- Informational sessions
- Updates on NHTSA Initiatives
- Strategic Planning

III. Public Participation

This meeting will be open to the public. We are committed to providing equal access to this meeting for all participants. People with disabilities in need of accommodation should send a request to the individual in the **FOR FURTHER INFORMATION CONTACT** section of this notice no later than May 13, 2026.

A period of time will be allotted for comments from members of the public attending the meeting. Members of the public may present questions and comments to the Council using the live chat feature available during the meeting. Members of the public may also submit materials, questions, and comments in advance to the individual listed in the **FOR FURTHER INFORMATION CONTACT** section of this notice.

Members of the public wishing to reserve time to speak directly to the Council during the meeting must submit a request. The request must include the name, contact information (address, phone number, and email address), and organizational affiliation of the individual wishing to address NEMSAC; it must also include a written copy of prepared remarks and must be forwarded to the individual listed in the **FOR FURTHER INFORMATION CONTACT** section of this notice no later than May 13, 2026.

All advance submissions will be reviewed by the Council Chairperson and Designated Federal Officer. If approved, advance submissions shall be circulated to NEMSAC representatives for review prior to the meeting. All advance submissions will become part of the official record of the meeting.

(Authority: 42 U.S.C. 300d-4(b); 49 CFR part 1.95(i)(4).)

Issued in Washington, DC

Jane Terry,

Acting Associate Administrator, Research and Program Development.

[FR Doc. 2026-07985 Filed 4-23-26; 8:45 am]

BILLING CODE 4910-59-P

DEPARTMENT OF TRANSPORTATION

Pipeline and Hazardous Materials Safety Administration

[Docket No. PHMSA-2026-0067]

Pipeline Safety: Request for Special Permit; Texas Gas Transmission, LLC (TGT)

AGENCY: Pipeline and Hazardous Materials Safety Administration (PHMSA); U.S. Department of Transportation (DOT).

ACTION: Notice.

SUMMARY: PHMSA is publishing this notice to solicit public comments on a request for a special permit submitted by Texas Gas Transmission, LLC (TGT), a subsidiary of Boardwalk Pipelines, LP. TGT is seeking relief from compliance with certain requirements in the Federal pipeline safety regulations. PHMSA has proposed conditions to ensure that the special permit is not inconsistent with pipeline safety. At the conclusion of the 30-day comment period, PHMSA will review the comments received in response to this notice in determining whether to grant or deny the special permit request.

DATES: Submit any comments regarding this special permit request by May 26, 2026.

ADDRESSES: Comments should reference the docket number for this special permit request and may be submitted in the following ways:

- *E-Gov website:* <http://www.regulations.gov>. This site allows the public to enter comments on any **Federal Register** notice issued by any agency.
- *Mail:* Docket Management System: U.S. Department of Transportation, Docket Operations, M-30, West Building Ground Floor, Room W12-140, 1200 New Jersey Avenue SE, Washington, DC 20590.
- *Hand Delivery:* Docket Management System: U.S. Department of Transportation, Docket Operations, M-30, West Building Ground Floor, Room W12-140, 1200 New Jersey Avenue SE, Washington, DC 20590, between 9:00 a.m. and 5:00 p.m., Monday through Friday, except Federal holidays.

Instructions: You should identify the docket number for the special permit request you are commenting on at the beginning of your comments. If you submit your comments by mail, please submit two copies. To receive confirmation that PHMSA has received your comments, please include a self-addressed stamped postcard. Internet users may submit comments at <http://www.regulations.gov>.

Note: There is a privacy statement published on <http://www.regulations.gov>. Comments, including any personal information provided, are posted without changes or edits to <http://www.regulations.gov>.

Confidential Business Information: Confidential Business Information (CBI) is commercial or financial information that is both customarily and treated as private by its owner. Under the Freedom of Information Act (FOIA) (5 United States Code § 552), CBI is exempt from public disclosure. If your comments responsive to this notice contain commercial or financial information that is customarily treated as private, that you treat as private, and that is relevant or responsive to this notice, it is important that you clearly designate the submitted comments as CBI. Pursuant to 49 Code of Federal Regulations (CFR) § 190.343, you may ask PHMSA to give confidential treatment to information you give to the agency by taking the following steps: (1) mark each page of the original document submission containing CBI as "Confidential"; (2) send PHMSA, along with the original document, a second copy of the original document with the CBI deleted; and (3) explain why the information you are submitting is CBI. Unless you are notified otherwise, PHMSA will treat such marked submissions as confidential under the FOIA, and they will not be placed in the public docket of this notice. Submissions containing CBI should be sent to Lee Cooper, DOT, PHMSA-PHP-80, 1200 New Jersey Avenue SE, Washington, DC 20590-0001. Any commentary PHMSA receives that is not specifically designated as CBI will be placed in the public docket for this matter.

FOR FURTHER INFORMATION CONTACT:

General: Mr. Lee Cooper by email at lee.cooper@dot.gov.

Technical: Ms. Stephanie Zuehlke by e-mail at stephanie.zuehlke@dot.gov.

SUPPLEMENTARY INFORMATION: On January 27, 2026, PHMSA received a special permit request from TGT. The request asks PHMSA to waive the odorization requirements in the Federal pipeline safety regulations in 49 CFR 192.625(b) for 14 special permit segments. The segments extend approximately 0.72 miles (3,787 feet) in total length and are part of a 16-inch diameter steel natural gas transmission pipeline. The transmission line, known as TGT SPL 20-1TT, is located in DeSoto County, Mississippi. Twelve of the special permit segments, totaling 0.56 miles (2,983 feet) in length, are in Class 3 locations. Two of the special

permit segments, totaling 0.15 miles (804 feet) in length, are in Class 2 locations.

TGT SPL 20–1TT delivers un-odorized natural gas to a power plant. Odorizing the gas will adversely impact the performance and efficiency of the power plant. To avoid these impacts,

TGT asks PHMSA to waive the requirement of 49 CFR 192.625(b), which requires the odorization of a combustible gas in a transmission line in a Class 3 location so that a concentration in air of one-fifth of the lower explosive limit is readily

detectable by a person with a normal sense of smell.

The draft conditions were preliminarily determined to ensure that the special permit is not inconsistent with pipeline safety. The requested special permit segments are as follows:

Operator SPS No.	County, state	Class location	Outside diameter (inches)	Line name	Length (feet)	Year installed
1	DeSoto, MS	3	16	SPL 20–1TT	1,089	2002
2	DeSoto, MS	2	16	SPL 20–1TT	294	2002
3	DeSoto, MS	3	16	SPL 20–1TT	513	2002
4	DeSoto, MS	2	16	SPL 20–1TT	510	2002
5	DeSoto, MS	3	16	SPL 20–1TT	1,366	2002
6	DeSoto, MS	3	16	SPL 20–1TT	20	2002
7	DeSoto, MS	3	16	SPL 20–1TT	772	2002
8	DeSoto, MS	3	16	SPL 20–1TT	15	2023
9	DeSoto, MS	3	16	SPL 20–1TT	186	2002
10	DeSoto, MS	3	16	SPL 20–1TT	16	2002
11	DeSoto, MS	3	16	SPL 20–1TT	210	2002
12	DeSoto, MS	3	16	SPL 20–1TT	16	2002
13	DeSoto, MS	3	16	SPL 20–1TT	66	2002
14	DeSoto, MS	3	16	SPL 20–1TT	4	2002

PHMSA has incorporated and implemented the following categorical exclusion (CE) into its procedures:

1. *Granting, renewing, or denying a special permit related to waiving class location or odorization requirements, following the procedures set forth in 49 CFR 190.341, including the identification of any enforceable conditions, imposed pursuant to 49 CFR 190.341(d)(2), that are required to prevent and address pipeline safety and environmental risk (DOT 5610.1D).*

Environmental Protection Specialists from PHMSA independently reviewed the special permit request for compliance with the National Environmental Policy Act (NEPA). Based on the scope of the action, PHMSA has further determined there are no extraordinary circumstances that would preclude application of the CE to this special permit. To ensure continued human and environmental safety, the operator must fulfill the conditions of the special permit; continue to employ good operating practices; and continue to follow any additional applicable permitting requirements, State laws, or Federal requirements related to environmental protection. Should conditions change, or should extraordinary circumstances materialize, the operator must contact PHMSA for reevaluation. The proposed action is hereby categorically excluded from further NEPA review. The final CE will be published at <https://www.phmsa.dot.gov/planning-and-analytics/environmental-analysis-and-compliance/implementing-procedures>.

The special permit request, draft proposed special permit with conditions, and CE for the above-described TGT pipeline segments are available for review and public comment in Docket No. PHMSA–2026–0067. Please submit comments on any potential safety, environmental, and other relevant considerations implicated by the special permit request. Comments may include relevant data to be considered.

Before issuing a decision on the special permit request, PHMSA will evaluate all comments received on or before the comment closing date. PHMSA will consider each relevant comment it receives in making its decision to grant or deny this special permit request.

Issued in Washington, DC, under authority delegated in 49 CFR 1.97.

Linda Daugherty,

Acting Associate Administrator for Pipeline Safety.

[FR Doc. 2026–07992 Filed 4–23–26; 8:45 am]

BILLING CODE 4910–60–P

DEPARTMENT OF THE TREASURY

Office of the Comptroller of the Currency

Agency Information Collection Activities: Information Collection Renewal; Submission for OMB Review; Assessment of Fees

AGENCY: Office of the Comptroller of the Currency (OCC), Treasury.

ACTION: Notice and request for comment.

SUMMARY: The OCC, as part of its continuing effort to reduce paperwork and respondent burden, invites comment on a continuing information collection, as required by the Paperwork Reduction Act of 1995 (PRA). In accordance with the requirements of the PRA, the OCC may not conduct or sponsor, and the respondent is not required to respond to, an information collection unless it displays a currently valid Office of Management and Budget (OMB) control number. The OCC is soliciting comment concerning the renewal of its information collection titled, “Assessment of Fees.” The OCC also is giving notice that it has sent the collection to OMB for review.

DATES: Comments must be received by May 26, 2026.

ADDRESSES: Commenters are encouraged to submit comments by email, if possible. You may submit comments by any of the following methods:

- *Email:* prainfo@occ.treas.gov.
- *Mail:* Chief Counsel’s Office, Attention: Comment Processing, Office of the Comptroller of the Currency, Attention: 1557–0223, 400 7th Street SW, Suite 3E–218, Washington, DC 20219.

• *Hand Delivery/Courier:* 400 7th Street SW, Suite 3E–218, Washington, DC 20219.

• *Fax:* (571) 293–4835.

Instructions: You must include “OCC” as the agency name and “1557–0223” in your comment. In general, the

OCC will publish comments on www.reginfo.gov without change, including any business or personal information provided, such as name and address information, email addresses, or phone numbers. Comments received, including attachments and other supporting materials, are part of the public record and subject to public disclosure. Do not include any information in your comment or supporting materials that you consider confidential or inappropriate for public disclosure.

Written comments and recommendations for the proposed information collection should also be sent within 30 days of publication of this notice to www.reginfo.gov/public/do/PRAMain. You can find this information collection by selecting “Currently under 30-day Review—Open for Public Comments” or by using the search function.

You may review comments and other related materials that pertain to this information collection following the close of the 30-day comment period for this notice by the method set forth in the next bullet.

- **Viewing Comments Electronically:** Go to www.reginfo.gov. Hover over the “Information Collection Review” tab and click on “Information Collection Review” from the drop-down menu. From the “Currently under Review” drop-down menu, select “Department of the Treasury” and then click “submit.” This information collection can be located by searching OMB control number “1557–0223” or “Assessment of Fees.” Upon finding the appropriate information collection, click on the related “ICR Reference Number.” On the next screen, select “View Supporting Statement and Other Documents” and then click on the link to any comment listed at the bottom of the screen.

- For assistance in navigating www.reginfo.gov, please contact the Regulatory Information Service Center at (202) 482–7340.

FOR FURTHER INFORMATION CONTACT: Shaquita Merritt, Clearance Officer, (202) 649–5490, Chief Counsel’s Office, Office of the Comptroller of the Currency, 400 7th Street SW, Washington, DC 20219. If you are deaf, hard of hearing, or have a speech disability, please dial 7–1–1 to access telecommunications relay services.

SUPPLEMENTARY INFORMATION: Under the PRA (44 U.S.C. 3501 *et seq.*), Federal agencies must obtain approval from the OMB for each collection of information that they conduct or sponsor. “Collection of information” is defined in 44 U.S.C. 3502(3) and 5 CFR

1320.3(c) to include agency requests or requirements that members of the public submit reports, keep records, or provide information to a third party. The OCC asks the OMB to extend its approval of the collection in this notice.

Title: Assessment of Fees.

OMB Control No.: 1557–0223.

Type of Review: Regular.

Affected Public: Businesses or other for-profit.

Description: The OCC is requesting comment on its proposed extension, without change, of the information collection titled, “Assessment of Fees.” The OCC is authorized by the National Bank Act (for national banks and Federal branches and agencies) and the Home Owners’ Loan Act (for Federal savings associations) to collect assessments, fees, and other charges as necessary or appropriate to carry out the responsibilities of the OCC. 12 U.S.C. 16, 481, 482 and 1467. The OCC requires independent credit card national banks and independent credit card Federal savings associations (collectively, independent credit card institutions) to pay an additional assessment based on receivables attributable to accounts owned by the national bank or Federal savings association. 12 CFR 8.2(c). Independent credit card institutions are national banks or Federal savings associations that engage primarily in credit card operations and are not affiliated with a full-service national bank or full-service Federal savings association. 12 CFR 8.2(c)(3)(vi) and (vii). Under 12 CFR 8.2(c)(2), the OCC also has the authority to assess an independent credit card institution that is affiliated with a full-service national bank or full-service Federal savings association if the OCC concludes that the affiliation is intended to evade the requirements of 12 CFR part 8. The OCC requires independent credit card institutions to report receivables attributable data to the OCC semiannually or at a time specified by the OCC. 12 CFR 8.2(c)(4). “Receivables attributable” are the total amount of outstanding balances due on credit card accounts owned by independent credit card institutions (the receivables attributable to those accounts) on the last day of an assessment period minus receivables retained on the national bank or Federal savings association’s balance sheet as of that day. 12 CFR 8.2(c)(3)(viii). The OCC uses the information to calculate the assessment for each independent credit card institution and adjust the assessment rate for independent credit card institutions over time.

Estimated Burden

Estimated Frequency of Response: Semi-annually.

Estimated Number of Respondents: 5.
Estimated Total Annual Burden: 10 hours.

Comments: On February 3, 2026, the OCC published a 60-day notice for this information collection, (91 FR 5032). No comments were received.

Comments continue to be invited on:

(a) Whether the collection of information is necessary for the proper performance of the functions of the OCC, including whether the information has practical utility;

(b) The accuracy of the OCC’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 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.

Micah J. Cogen,

Acting Assistant Director, Office of the Comptroller of the Currency.

[FR Doc. 2026–07991 Filed 4–23–26; 8:45 am]

BILLING CODE 4810–33–P

DEPARTMENT OF THE TREASURY

Office of Foreign Assets Control

Notice of OFAC Sanctions Action

AGENCY: Office of Foreign Assets Control, Treasury.

ACTION: Notice.

SUMMARY: The U.S. Department of the Treasury’s Office of Foreign Assets Control (OFAC) is publishing the names of one or more persons and aircraft that have been placed on OFAC’s Specially Designated Nationals and Blocked Persons List (SDN List) based on OFAC’s determination that one or more applicable legal criteria were satisfied. All property and interests in property subject to U.S. jurisdiction of these persons are blocked, and U.S. persons are generally prohibited from engaging in transactions with them. The aircraft placed on the SDN List have been identified as property in which a blocked person has an interest.

DATES: This action was issued on April 21, 2026. See **SUPPLEMENTARY INFORMATION** for relevant dates.

FOR FURTHER INFORMATION CONTACT:

OFAC: Associate Director for Global Targeting, 202–622–2420; Assistant Director for Licensing, 202–622–2480; Assistant Director for Sanctions Compliance, 202–622–2490; or <https://ofac.treasury.gov/contact-ofac>.

SUPPLEMENTARY INFORMATION:**Electronic Availability**

The SDN List and additional information concerning OFAC sanctions programs are available on OFAC's website: <https://ofac.treasury.gov>.

Notice of OFAC Action

On April 21, 2026, OFAC determined that the property and interests in property subject to U.S. jurisdiction of the following persons are blocked under the relevant sanctions authorities listed below.

Individuals

1. ATA EI AGHDAM, Gholam Abbas (a.k.a. AGHDAM, Gholamabbas Atayyi; a.k.a. AQDAM, Gholamabbas Atai), Iran; DOB 08 Jun 1954; nationality Iran; Gender Male; Secondary sanctions risk: section 1(b) of Executive Order 13224, as amended by Executive Order 13886; National ID No. 0044919417 (Iran) (individual) [SDGT] [IFSR] (Linked To: SEPEHR KAVEH KISH INTERNATIONAL TRADING COMPANY).

Designated pursuant to section 1(a)(iii)(E)(1) of Executive Order 13224 of September 23, 2001, “Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten To Commit, or Support Terrorism,” (E.O. 13224), 66 FR 49079, as amended by Executive Order 13886 of September 9, 2019, “Modernizing Sanctions To Combat Terrorism,” 84 FR 48041, 3 CFR, 2019 Comp., p. 356 (E.O. 13224, as amended), for being a leader or official of SEPEHR KAVEH KISH INTERNATIONAL TRADING COMPANY, a person whose property and interests in property are blocked pursuant to E.O. 13224, as amended.

2. BALKHKANLU, Kamal Sabah, Tehran, Iran; Turkey; DOB 25 May 1987; nationality Iran; Additional Sanctions Information—Subject to Secondary Sanctions; Gender Male; National ID No. 2830936841 (Iran) (individual) [NPWMD] [IFSR] (Linked To: PISHGAM ELECTRONIC SAFEH COMPANY).

Designated pursuant to section 1(a)(iii) of Executive Order (E.O.) 13382 of June 28, 2005, “Blocking Property of Weapons of Mass Destruction Proliferators and Their Supporters,” 70 FR 38567, 3 CFR, 2005 Comp., p. 170 (E.O. 13382), for having provided, or attempted to provide, financial,

material, technological or other support for, or goods or services in support of, PISHGAM ELECTRONIC SAFEH COMPANY, a person whose property and interests in property are blocked pursuant to E.O. 13382.

3. HOSSEINZADEH, Jamshid (a.k.a. HOSSEINZADEH, Jamshid Hussein; a.k.a. ZADEH, Jamshid Hossein), Iran; DOB 21 Mar 1965; nationality Iran; Gender Male; Secondary sanctions risk: section 1(b) of Executive Order 13224, as amended by Executive Order 13886; National ID No. 0035996153 (Iran) (individual) [SDGT] [IFSR] (Linked To: SEPEHR KAVEH KISH INTERNATIONAL TRADING COMPANY).

Designated pursuant to section 1(a)(iii)(E)(1) of E.O. 13224, as amended, for being a leader or official of SEPEHR KAVEH KISH INTERNATIONAL TRADING COMPANY, a person whose property and interests in property are blocked pursuant to E.O. 13224, as amended.

4. KHALILI, Danial (a.k.a. KHALILI, Danyal), Iran; Dubai, United Arab Emirates; DOB 18 Nov 1994; nationality Iran; Additional Sanctions Information—Subject to Secondary Sanctions; Gender Male; National ID No. 3550119267 (Iran) (individual) [NPWMD] [IFSR] (Linked To: JANGHORBANI, Hamid Reza).

Designated pursuant to section 1(a)(iii) of E.O. 13382 for having provided, or attempted to provide, financial, material, technological or other support for, or goods or services in support of, JANGHORBANI, Hamid Reza, a person whose property and interests in property are blocked pursuant to E.O. 13382.

5. MAHDIAN, Mohammad Hossein (a.k.a. MAHDIAN, Mohammad Hosein), Iran; DOB 21 Sep 1984; nationality Iran; Gender Male; Secondary sanctions risk: section 1(b) of Executive Order 13224, as amended by Executive Order 13886; National ID No. 0068511671 (Iran) (individual) [SDGT] [IFSR] (Linked To: MAHAN AIR).

Designated pursuant to section 1(a)(iii)(A) of E.O. 13224, as amended, for being owned, controlled, or directed by, or having acted or purported to act for or on behalf of, directly or indirectly, MAHAN AIR, a person whose property and interests in property are blocked pursuant to E.O. 13224.

6. ROKNIFARD, Hamidreza (a.k.a. ROKNIFARD, Hamid Reza; a.k.a. RUKNI FARD, Hamid Rida), Shiraz, Iran; DOB 02 Sep 1959; POB Shiraz, Iran; nationality Iran; Additional Sanctions Information—Subject to Secondary Sanctions; Gender Male; National ID No. 5489463562 (Iran) (individual)

[NPWMD] [IFSR] (Linked To: ADAK PARGAS PARS TRADING COMPANY).

Designated pursuant to section 1(a)(iv) of E.O. 13382 for being owned or controlled by, or acting or purporting to act for or on behalf of, directly or indirectly, ADAK PARGAS PARS TRADING COMPANY, a person whose property and interests in property are blocked pursuant to E.O. 13382.

7. ROKNIFARD, Mostafa, Bandar Abbas, Hormozgan, Iran; DOB 18 Sep 1977; nationality Iran; Additional Sanctions Information—Subject to Secondary Sanctions; Gender Male; National ID No. 2291705083 (Iran) (individual) [NPWMD] [IFSR] (Linked To: ADAK PARGAS PARS TRADING COMPANY).

Designated pursuant to section 1(a)(iv) of E.O. 13382 for being owned or controlled by, or acting or purporting to act for or on behalf of, directly or indirectly, ADAK PARGAS PARS TRADING COMPANY, a person whose property and interests in property are blocked pursuant to E.O. 13382.

8. VAHIDI, Mohammad, Dubai, United Arab Emirates; Iran; DOB 15 Oct 2001; nationality Iran; Additional Sanctions Information—Subject to Secondary Sanctions; Gender Male (individual) [NPWMD] [IFSR] (Linked To: JANGHORBANI, Hamid Reza).

Designated pursuant to section 1(a)(iii) of E.O. 13382 for having provided, or attempted to provide, financial, material, technological or other support for, or goods or services in support of, JANGHORBANI, Hamid Reza, a person whose property and interests in property are blocked pursuant to E.O. 13382.

Entities

1. CHABOK FZCO (a.k.a. “CHABOK AVIATION”), Warehouse No. FZS1BM05, Jebel Ali Free Zone South Zone, Dubai, United Arab Emirates; P.O. Box 17737, Dubai, United Arab Emirates; website www.chabok.aero; Secondary sanctions risk: section 1(b) of Executive Order 13224, as amended by Executive Order 13886; Organization Established Date 01 May 2000; Chamber of Commerce Number 316998 (United Arab Emirates); Business Registration Number 2579 (United Arab Emirates); Economic Register Number (CBLS) 11447681 (United Arab Emirates) [SDGT] [IFSR] (Linked To: MAHAN AIR).

Designated pursuant to section 1(a)(iii)(C) of E.O. 13224, as amended, for having materially assisted, sponsored, or provided financial, material, or technological support for, or goods or services to or in support of, MAHAN AIR, a person whose property

and interests in property are blocked pursuant to E.O. 13224.

2. EMTI FIBER TEXTILE IMPORT EXPORT TRADE LIMITED COMPANY (Latin: EMTI İPLİK TEKSTİL İTHALAT İHRACAT TİCARET LİMİTED ŞİRKETİ), Asik Veysel Neighborhood, Talatpasa Avenue, Orkide Residential Complex, B 17 No: 5A, Suite No: 01, Esenyurt, Istanbul, Turkey; Additional Sanctions Information—Subject to Secondary Sanctions; Organization Established Date 31 Oct 2023; Trade License No. 488350–5 (Turkey); Registration Number 1483400–0 (Turkey) [NPWMD] [IFSR] (Linked To: PARDISAN REZVAN SHARGH INTERNATIONAL PRIVATE JOINT STOCK COMPANY).

Designated pursuant to section 1(a)(iii) of E.O. 13382, for having provided, or attempted to provide, financial, material, technological or other support for, or goods or services in support of, PARDISAN REZVAN SHARGH INTERNATIONAL PRIVATE JOINT STOCK COMPANY, a person whose property and interests in property are blocked pursuant to E.O. 13382.

3. SAMAN AIR SERVICES COMPANY (a.k.a. SAMAN AIR SERVICES PRIVATE JOINT STOCK COMPANY), Terminal 4, Mehrabad International Airport, Tehran, Iran; Secondary sanctions risk: section 1(b) of Executive Order 13224, as amended by Executive Order 13886; Organization Established Date 01 Apr 2005; National ID No. 10102855345 (Iran); Registration Number 244870 (Iran) [SDGT] [IFSR] (Linked To: SEPEHR KAVEH KISH INTERNATIONAL TRADING COMPANY).

Designated pursuant to section 1(a)(iii)(A) of E.O. 13224, as amended, for being owned, controlled, or directed by, or having acted or purported to act for or on behalf of, directly or indirectly, SEPEHR KAVEH KISH INTERNATIONAL TRADING COMPANY, a person whose property and interests in property are blocked pursuant to E.O. 13224, as amended.

4. SEPEHR KAVEH KISH INTERNATIONAL TRADING COMPANY, Unit 711, Floor 7, Sarina Market Complex, No. 0, Main Street, Khayyam Street, Kish District, Bandar Lengeh County, Kish, Hormozgan 7941897163, Iran; Secondary sanctions risk: section 1(b) of Executive Order 13224, as amended by Executive Order 13886; Organization Established Date 15 Mar 2012; National ID No. 14000221667 (Iran); Registration Number 9946 (Iran) [SDGT] [IFSR] (Linked To: MAHAN AIR).

Designated pursuant to section 1(a)(iii)(B) of E.O. 13224, as amended,

for owning or controlling, directly or indirectly, MAHAN AIR, a person whose property and interests in property are blocked pursuant to E.O. 13224.

On April 21, 2026, OFAC also identified the following aircraft as property in which a blocked person has an interest under the relevant sanctions authority listed below:

Aircraft

1. EP–MTB; Aircraft Manufacture Date 2001; Aircraft Model B777–200ER; Aircraft Operator Mahan Air; Aircraft Manufacturer's Serial Number (MSN) 28527; Aircraft Tail Number EP–MTB; Additional Sanctions Information—Subject to Secondary Sanctions; Secondary sanctions risk: section 1(b) of Executive Order 13224, as amended by Executive Order 13886 (aircraft) [SDGT] [NPWMD] [IFSR] (Linked To: MAHAN AIR).

Identified as property in which MAHAN AIR, a person whose property and interests in property are blocked pursuant to E.O. 13224 and E.O. 13382, has an interest.

2. EP–MTE; Aircraft Manufacture Date 2003; Aircraft Model B777–200ER; Aircraft Operator Mahan Air; Aircraft Manufacturer's Serial Number (MSN) 33369; Aircraft Tail Number EP–MTE; Additional Sanctions Information—Subject to Secondary Sanctions; Secondary sanctions risk: section 1(b) of Executive Order 13224, as amended by Executive Order 13886 (aircraft) [SDGT] [NPWMD] [IFSR] (Linked To: MAHAN AIR).

Identified as property in which MAHAN AIR, a person whose property and interests in property are blocked pursuant to E.O. 13224 and E.O. 13382, has an interest.

(Authority: E.O. 13224, as amended; E.O. 13382.)

Bradley T. Smith,

Director, Office of Foreign Assets Control.

[FR Doc. 2026–07994 Filed 4–23–26; 8:45 am]

BILLING CODE 4810–AL–P

DEPARTMENT OF THE TREASURY

Internal Revenue Service

Internal Revenue Service Advisory Council; Request for Nominations

AGENCY: Internal Revenue Service, Department of Treasury.

ACTION: Request for nominations and applications.

SUMMARY: The Internal Revenue Service (IRS) is accepting applications for the Internal Revenue Service Advisory

Council (IRSAC) from individuals representing a cross-section of the taxpaying public with substantial, disparate experience in: tax preparation for individuals, small businesses and large, multi-national corporations; tax-exempt and government entities; information reporting; and taxpayer or consumer advocacy. Nominations of qualified individuals may come from individuals or organizations.

DATES: Applications must be received on or before June 5, 2026.

ADDRESSES: Applications may be submitted via electronic fax to 855–811–8021 or via email to PublicLiaison@irs.gov. Applications and additional information are available on the IRS website at <https://www.irs.gov/irsac>.

FOR FURTHER INFORMATION CONTACT: Anna Millikan at (202) 317–6564 or send an email to publicliaison@irs.gov.

SUPPLEMENTARY INFORMATION: The IRSAC serves as an advisory body to IRS leadership and provides an organized public forum for discussion of relevant tax administration issues between IRS officials and representatives of the public. The committee presents a report annually to IRS leadership at a public meeting. The committee is organized under the Federal Advisory Committee Act (FACA), 5 U.S.C. 1001–1014, and includes volunteer members representing a cross-section of interests in tax issues.

Applications are currently being accepted for appointments that will begin in January 2027. This is a volunteer position. Members serve three-year terms on the IRSAC to allow for a rotation in membership and ensure different perspectives are represented. Travel expenses within government guidelines will be reimbursed. In accordance with the United States Department of the Treasury Directive 21–03, a clearance process including tax checks, a Federal Bureau of Investigation fingerprint check and a practitioner check with the Office of Professional Responsibility will be conducted.

Applicants must complete the application form, which includes describing and documenting the applicant's qualifications for IRSAC membership. Applicants must submit a one- or two-page statement including recent examples of specific skills and qualifications as they relate to: applying tax law knowledge in the resolution of complex tax issues; examining issues from a macro viewpoint and effectively communicating recommendations; working with third-party individuals or organizations who interact with the IRS on behalf of taxpayers; and online

services for tax professionals and user experience design. Examples of critical thinking, strategic planning and oral and written communication are desirable.

An acknowledgement of receipt will be sent to all applicants.

Dated: April 21, 2026.

John A. Lipold,

Designated Federal Officer, Office of National Public Liaison, Internal Revenue Service.

[FR Doc. 2026-08007 Filed 4-23-26; 8:45 am]

BILLING CODE 4831-GV-P

UNITED STATES SENTENCING COMMISSION

Sentencing Guidelines for United States Courts

AGENCY: United States Sentencing Commission.

ACTION: Notice and request for public comment.

SUMMARY: The United States Sentencing Commission is considering promulgating an amendment to the sentencing guidelines, policy statements, and commentary. This notice sets forth the proposed amendment and a synopsis of the issues addressed by the proposed amendment. This notice also sets forth several issues for comment together with the proposed amendment.

DATES: Written public comment regarding the proposed amendment and issues for comment set forth in this notice should be received by the Commission not later than June 18, 2026. Public comment regarding the proposed amendment received after the close of the comment period may not be considered.

ADDRESSES: There are two methods for submitting public comment.

Electronic Submission of Comments. Comments may be submitted electronically via the Commission's Public Comment Submission Portal at <https://comment.ussc.gov>. Follow the online instructions for submitting comments.

Submission of Comments by Mail. Comments may be submitted by mail to the following address: United States Sentencing Commission, One Columbus Circle NE, Suite 2-500, Washington, DC 20002-8002, Attention: Public Affairs—Proposed Amendment.

FOR FURTHER INFORMATION CONTACT: Jennifer Dukes, Senior Public Affairs Specialist, (202) 502-4597.

SUPPLEMENTARY INFORMATION: The United States Sentencing Commission is an independent agency in the judicial

branch of the United States Government. The Commission promulgates sentencing guidelines and policy statements for federal courts pursuant to 28 U.S.C. 994(a). The Commission also periodically reviews and revises previously promulgated guidelines pursuant to 28 U.S.C. 994(o) and submits guideline amendments to the Congress not later than the first day of May each year pursuant to 28 U.S.C. 994(p).

Publication of a proposed amendment requires the affirmative vote of at least three voting members of the Commission and is deemed to be a request for public comment on the proposed amendment. *See* USSC Rules of Practice and Procedure 2.2, 4.4. In contrast, the affirmative vote of at least four voting members is required to promulgate an amendment and submit it to Congress. *See id.* 2.2; 28 U.S.C. 994(p).

The Commission published notices of proposed amendments in the **Federal Register** on December 19, 2025 (*see* 90 FR 59660) and February 6, 2026 (*see* 91 FR 5556). The Commission held public hearings on those proposed amendments in Washington, DC, on February 17, 2026, and March 9, 2026. Pursuant to 28 U.S.C. 994 and its emergency authority under section 5017 of the Consolidated Appropriations Act, 2026 (Public Law 119-75), the Commission is now considering promulgating an additional amendment to the sentencing guidelines, policy statements, and commentary. This notice sets forth that proposed amendment.

The proposed amendment as presented in this notice contains specific revisions to the guidelines. It also contains bracketed text indicating a heightened interest on the Commission's part in comment and suggestions regarding alternative policy choices; for example, a proposed enhancement of [6] levels indicates that the Commission is considering, and invites comment on, alternative policy choices regarding the appropriate level of enhancement. Similarly, bracketed text means that the Commission specifically invites comment on whether the proposed provision is appropriate. Additionally, the Commission has highlighted certain issues for comment and invites suggestions on how the Commission should respond to those issues.

In summary, the proposed amendment and issues for comment set forth in this notice are as follows: A proposed amendment to the *Guidelines Manual* to implement the SAFER SKIES Act (Title LXXXVI of the National

Defense Authorization Act for Fiscal Year 2026, Pub. L. 119-60), including (A) two options for setting forth a new guideline at § 3B1.6 (Use of Unmanned Aircraft) providing a tiered adjustment for offenses involving the use of an unmanned aircraft; (B) amendments to Appendix A (Statutory Index) to reference the new offenses created by the Act to the most appropriate guidelines; and (C) related issues for comment.

The text of the proposed amendment and related issues for comment are set forth below. Additional information pertaining to the proposed amendment and issues for comment described in this notice may be accessed through the Commission's website at www.ussc.gov. In addition, as required by 5 U.S.C. 553(b)(4), a plain-language summary of the proposed amendment is available at <https://www.ussc.gov/guidelines/amendments/reader-friendly-version-2026-proposed-amendment-unmanned-aircraft>.

Authority: 28 U.S.C. 994(a), (o), (p), (x); USSC Rules of Practice and Procedure 2.2, 4.3, 4.4.

Carlton W. Reeves,
Chair.

Proposed Amendment to the Sentencing Guidelines, Policy Statements, and Official Commentary

1. Unmanned Aircraft

Synopsis of Proposed Amendment: This proposed amendment responds to the SAFER SKIES Act (title LXXXVI of the National Defense Authorization Act for Fiscal Year 2026, Pub. L. 119-60) (the "Act"), which contains several provisions relating to criminal penalties for offenses involving aircraft. *See* Pub. L. 119-60, 8605 (2025).

The Act creates a felony offense for repeated convictions for violating national defense airspace under 49 U.S.C. 46307. Section 46307 establishes a criminal offense when an individual knowingly and willfully violates an order issued pursuant to 49 U.S.C. 40103(b)(3) that restricts or prohibits civil aircraft in certain navigable airspace "in the interest of national defense." An offense under section 46307 constitutes a Class A misdemeanor, punishable by up to one year in prison. The Act adds to section 46307 a five-year-maximum penalty if a person is convicted of a second or subsequent offense under the section.

The Act also amends the statutory penalties for providing contraband to imprisoned individuals, in violation of 18 U.S.C. 1791. Section 1791 sets out statutory maximum terms of imprisonment ranging from six months

to twenty years depending on the type of contraband object provided to the imprisoned individual. The Act increases the maximum penalties by five years for individuals convicted under section 1791 who “knowingly used an unmanned aircraft to provide a prohibited object to an inmate of a prison.” 6 U.S.C. 124n–1(d).

In addition to these specific statutory increases, the Act provides more generally that “[i]f a person who is convicted of a felony offense (other than an offense based solely on the operation of an unmanned aircraft) knowingly operated an unmanned aircraft during, in relation to, or in furtherance of such offense,” the maximum penalty for that offense is doubled or increased by five years, whichever is less. *Id.* § 124n–1(c).

The Act also directs the Sentencing Commission to “promulgate guidelines, or amendments to guidelines, that substantially increase the sentencing range for all offenses involving the use of an unmanned aircraft.” *Id.* § 124n–1(e)(1)(A). Specifically, for offenses in which the enhanced penalties under 6 U.S.C. 124n–1(c) apply—that is, where the individual knowingly operated an unmanned aircraft during, in relation to, or in furtherance of a felony offense (other than an offense based solely on the operation of an unmanned aircraft)—the guidelines “shall call for an increase of at least 6 levels in the base offense level,” and “in all other cases, the base offense level shall be increased by at least 4 levels.” *Id.* § 124n–1(e)(2).

The proposed amendment would implement these provisions of the Act.

First, the proposed amendment would create a new guideline at § 3B1.6 (Use of Unmanned Aircraft) providing a tiered adjustment for offenses involving the use of an unmanned aircraft. The proposed amendment provides two options for the adjustment. Under Option 1, an offense would receive a [6]-level increase if the statutory sentencing enhancement under 6 U.S.C. 124n–1(c) applies. Under Option 2, an offense would receive a [6]-level increase if the defendant is convicted of a felony offense that is not based solely on the operation of an unmanned aircraft, and the defendant knowingly operated an unmanned aircraft during, in relation to, or in furtherance of that offense. Under both options, all other offenses involving the use of an unmanned aircraft would receive a [4]-level increase.

Second, the proposed amendment would address the new felony offense for repeated violations of 49 U.S.C. 46307. Section 46307 is not currently referenced in Appendix A (Statutory

Index) to a specific guideline, so a preexisting misdemeanor offense under this section is sentenced under § 2X5.2 (Class A Misdemeanors (Not Covered by Another Specific Offense Guideline)). The proposed amendment would amend Appendix A to reference 49 U.S.C. 46307 to § 2A5.2 (Interference with Flight Crew Member or Flight Attendant; Interference with Dispatch, Navigation, Operation, or Maintenance of Mass Transportation Vehicle; Unsafe Operation of Unmanned Aircraft) and § 2X5.2. Accordingly, courts would continue to use § 2X5.2 for misdemeanor violations of section 46307 and would use § 2A5.2 for the new felony violation.

Issues for comment are also provided.

Proposed Amendment:

Chapter Three, Part B is amended by inserting at the end the following new guideline and accompanying commentary:

“§ 3B1.6. *Use of Unmanned Aircraft*
[Option 1 (6-level increase if statutory enhancement applies):

(a) (Apply the greater):

(1) If a statutory sentencing enhancement under 6 U.S.C. 124n–1(c) applies, increase by [6] levels.

(2) If the offense involved the use of an unmanned aircraft, increase by [4] levels.

(b) For purposes of this guideline:

(1) ‘Unmanned aircraft’ has the meaning given that term in 49 U.S.C. 44801.

[(2) ‘Use’ does not include mere possession.]]

[Option 2 (6-Level Increase Regardless of Whether Statutory Enhancement Applies)

(a) (Apply the greater):

(1) If the defendant (1) is convicted of a felony offense that is not based solely on the operation of an unmanned aircraft; and (2) knowingly operated an unmanned aircraft during, in relation to, or in furtherance of that offense, increase by [6] levels.

(2) If the offense involved the use of an unmanned aircraft, increase by [4] levels.

(b) For purposes of this guideline:

(1) ‘Unmanned aircraft’ has the meaning given that term in 49 U.S.C. 44801.

[(2) ‘Use’ does not include mere possession.]]

Commentary

Background: This guideline implements the directive in the SAFER SKIES Act (section 8605(e) of the National Defense Authorization Act for Fiscal Year 2026, Pub. L. 119–60).’.

Appendix A (Statutory Index) is amended by inserting before the line

referenced to 49 U.S.C. 46308 the following new line reference:

“49 U.S.C. 46307 2A5.2, 2X5.2”.

The Commentary to § 2A5.2 captioned “Statutory Provisions” is amended by striking “49 U.S.C. 46308, 46503, 46504 (formerly 49 U.S.C. 1472(c), (j))” and inserting “49 U.S.C. 46307, 46308, 46503, 46504 (formerly 49 U.S.C. 1472(c), (j))”.

The Commentary to § 2X5.2 captioned “Statutory Provisions” is amended by striking “49 U.S.C. 31310” and inserting “49 U.S.C. 31310, 46307”.

Issues for Comment

1. The SAFER SKIES Act (the “Act”) directs the Commission to “substantially increase the sentencing range for all offenses involving the use of an unmanned aircraft.” 6 U.S.C. 124n–1(e)(1)(A). The directive specifically calls for “an increase of at least 6 levels” for cases in which the sentencing enhancements under 6 U.S.C. 124n–1(c) apply and an increase of “at least 4 levels” in all other cases. *See id.* § 124n–1(e)(2). The proposed amendment would implement this directive by creating an adjustment in new § 3B1.6 (Use of Unmanned Aircraft). The Commission seeks comment on whether this is the appropriate approach to implement the directive or whether the Commission should adopt an alternative approach. If so, what should that approach be? Are there any different or additional approaches that would address cases subject to the minimum 4-level increase while ensuring compliance with the directive?

2. In the Act, Congress directs the Commission to provide for “an increase of *at least* 6 levels” for cases in which the sentencing enhancements under 6 U.S.C. 124n–1(c) apply and an increase of “*at least* 4 levels” in all other cases involving the use of an unmanned aircraft. *See* 6 U.S.C. 124n–1(e) (emphasis added). The proposed amendment responds to this directive by providing a tiered adjustment, bracketed at 6 and 4 levels, for offenses involving unmanned aircraft. The Commission seeks comment on whether the levels of the adjustment are appropriate or whether the Commission should increase the levels above those required by the directive. If so, at what levels should the Commission set the adjustment?

3. The Commission seeks comment on how the proposed new Chapter Three adjustment should interact with other guidelines that may also account for conduct involving the use of unmanned aircraft. For example, the specific

offense characteristic at § 2D1.1(b)(3)(A) (Unlawful Manufacturing, Importing, Exporting, or Trafficking (Including Possession with Intent to Commit These Offenses); Attempt or Conspiracy) applies if the defendant unlawfully imported or exported a controlled substance under circumstances in which “an aircraft other than a regularly scheduled commercial air carrier was used to import or export the controlled substance.” In addition, in some circumstances, the use of an unmanned aircraft could be considered indicative of sophisticated means, *see, e.g.*, §§ 2B1.1(b)(10)(C) (Theft, Property Destruction, and Fraud), 2T3.1(b)(1) (Evading Import Duties or Restrictions (Smuggling); Receiving or Trafficking in Smuggled Property), or the use of a special skill, *see* § 3B1.3 (Abuse of Position of Trust or Use of Special Skill). Are there other guidelines provisions that may apply based on the same conduct as the proposed new Chapter Three adjustment? How should the new adjustment interact with these provisions while ensuring compliance with the congressional directive to “substantially increase the sentencing range for all offenses involving the use of an unmanned aircraft”? Should the proposed amendment preclude or limit the application of any other specific offense characteristic or Chapter Three

adjustment if the new § 3B1.6 also applies?

4. The Act increases the statutory maximum penalty for an individual convicted under 18 U.S.C. 1791 who “knowingly used an unmanned aircraft to provide a prohibited object to an inmate of a prison.” 6 U.S.C. 124n–1(d). Offenses under section 1791 are referenced to § 2P1.2 (Providing or Possessing Contraband in Prison), which provides a range of base offense levels depending on the type of contraband at issue. Under the newly created § 3B1.6, an individual subject to the enhanced statutory penalty would be subject to a [6]-level or [4]-level adjustment for the use of an unmanned aircraft. Should the Commission take any additional action to implement the enhanced statutory penalty under 18 U.S.C. 1791? If so, what action should the Commission take? For example, should the Commission amend § 2P1.2 to address cases in which the enhanced statutory penalty under 18 U.S.C. 1791 applies, or should it provide a special instruction on the application of the new § 3B1.6 in such cases?

5. To address the new felony offense under the Act for repeated violations of 49 U.S.C. 46307, the proposed amendment would amend Appendix A to reference 49 U.S.C. 46307 to § 2A5.2 (Interference with Flight Crew Member

or Flight Attendant; Interference with Dispatch, Navigation, Operation, or Maintenance of Mass Transportation Vehicle; Unsafe Operation of Unmanned Aircraft) and § 2X5.2 (Class A Misdemeanors (Not Covered by Another Specific Offense Guideline)). The Commission seeks comment on whether the proposed references are appropriate and whether any additional changes to the guidelines are required to account for the new felony offense created by the Act.

[FR Doc. 2026–08088 Filed 4–23–26; 8:45 am]

BILLING CODE 2210–40–P

DEPARTMENT OF VETERANS AFFAIRS

Privacy Act of 1974: Matching Program

Correction

In Notice Document 2026–07012, appearing on pages 18530 through 18531, in the issue of Friday, April 10, 2026, make the following correction:

On page 18530, in the third column, the “Subject-Line” in the document heading is corrected to read as set-forth above.

[FR Doc. C1–2026–07012 Filed 4–23–26; 8:45 am]

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Part II

Commodity Futures Trading Commission

17 CFR Part 4

Securities and Exchange Commission

17 CFR Parts 275 and 279

Form PF; Reporting Requirements for All Filers; Proposed Rule

COMMODITY FUTURES TRADING COMMISSION

17 CFR Part 4
RIN 3038–AF68

SECURITIES AND EXCHANGE COMMISSION

17 CFR Parts 275 and 279

[Release No. IA–6959; File No. S7–2026–13]
RIN 3235–AN64

Form PF; Reporting Requirements for All Filers

AGENCY: Commodity Futures Trading Commission and Securities and Exchange Commission.
ACTION: Joint proposed rules.

SUMMARY: The Commodity Futures Trading Commission (the “CFTC”) and the Securities and Exchange Commission (the “SEC”) (collectively, “we” or the “Commissions”) are proposing to amend Form PF, the confidential reporting form for certain SEC-registered investment advisers to private funds, including those that also are registered with the CFTC as a commodity pool operator (a “CPO”) or a commodity trading advisor (a “CTA”). The proposed amendments would eliminate certain filing and reporting obligations, streamline certain requirements, and make corrections and other revisions. The proposed amendments are designed to eliminate certain burdens, among other things.

DATES: This proposal was published in the **Federal Register** on April 24, 2026. Comments should be received on or before June 23, 2026.

ADDRESSES: Comments may be submitted by any of the following methods.

CFTC: Comments may be submitted to the CFTC by any of the following methods.

• *CFTC Comments Portal:* <https://comments.cftc.gov>. Follow the instructions for submitting comments through the website.

• *Mail:* Christopher Kirkpatrick, Secretary of the Commission, Commodity Futures Trading Commission, Three Lafayette Centre, 1155 21st Street NW, Washington, DC 20581.

• *Hand Delivery/Courier:* Follow the same instructions as for Mail above.

Please submit your comments using only one method. To avoid possible delays with mail or in-person deliveries, submissions through the CFTC website are encouraged. “Form PF” must be in

the subject field of comments submitted via email, and clearly indicated on written submissions. All comments must be submitted in English, or if not, accompanied by an English translation. Comments will be posted as received to www.cftc.gov. You should submit only information that you wish to make available publicly. If you wish the CFTC to consider information that may be exempt from disclosure under the Freedom of Information Act, a petition for confidential treatment of the exempt information may be submitted according to the established procedures in 17 CFR 145.9.

The CFTC reserves the right, but shall have no obligation, to review, prescreen, filter, redact, refuse, or remove any or all of your submission from www.cftc.gov that it may deem to be inappropriate for publication, including, but not limited to, obscene language. All submissions that have been redacted or removed that contain comments on the merits of the rulemaking will be retained in the public comment file and will be considered as required under the Administrative Procedure Act and other applicable laws, and may be accessible under the Freedom of Information Act, 5 U.S.C. 552, *et seq.* (“FOIA”).

SEC: Comments may be submitted by any of the following methods:

Electronic Comments

- Use the Commission’s internet comment form (<https://www.sec.gov/comments/s7-2026-13/form-pf-reporting-requirements-all-filers>); or
- Send an email to rule-comments@sec.gov. Please include File Number S7–2026–13 on the subject line.

Paper Comments

- Send paper comments to Secretary, Securities and Exchange Commission, 100 F Street NE, Washington, DC 20549–1090.

All submissions should refer to File Number S7–2026–13. This file number should be included on the subject line if email is used. To help the Commission process and review your comments more efficiently, please use only one method of submission. The Commission will post all comments on the Commission’s website (<https://www.sec.gov/rules-regulations/rulemaking-activity>). Do not include personal identifiable information in submissions; you should submit only information that you wish to make available publicly. We may redact in part or withhold entirely from publication submitted material that is obscene or subject to copyright protection.

Studies, memoranda, or other substantive items may be added by the Commission or staff to the comment file during this rulemaking. A notification of the inclusion in the comment file of any such materials will be made available on the Commission’s website. To ensure direct electronic receipt of such notifications, sign up through the “Stay Connected” option at www.sec.gov to receive notifications by email.

A summary of the proposal of not more than 100 words is posted on the Commission’s website (<https://www.sec.gov/rules-regulations/2026/04/s7-2026-13>).

FOR FURTHER INFORMATION CONTACT:

CFTC: Michael Ehrstein or Elizabeth Groover, Special Counsels, at (202) 418–6700, Commodity Futures Trading Commission, Three Lafayette Centre, 1155 21st Street NW, Washington, DC 20581. SEC: Alexis Palascak, Janet Jun, and Daniel Levine, Senior Counsels; Adele Kittredge Murray, Private Funds Attorney Fellow; or Robert Holowka, Acting Assistant Director, Investment Adviser Regulation Office, at (202) 551–6787, Division of Investment Management, Securities and Exchange Commission, 100 F Street NE, Washington, DC 20549–8549.

SUPPLEMENTARY INFORMATION: The CFTC and SEC are requesting public comment on the following under the Investment Advisers Act of 1940 [15 U.S.C. 80b] (“Advisers Act”).¹

Agency	Reference	CFR citation
CFTC & SEC SEC	Form PF Rule 204(b)– 1.	17 CFR 279.9. 17 CFR 275.204(b)– 1.

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¹ 15 U.S.C. 80b. Unless otherwise noted, when we refer to the Advisers Act, or any section of the Advisers Act, we are referring to 15 U.S.C. 80b, at which the Advisers Act is codified, and when we refer to rules under the Advisers Act, or any section of these rules, we are referring to title 17, part 275 of the Code of Federal Regulations [17 CFR 275], and when we refer to forms under the Advisers Act, we are referring to title 17, part 279 of the Code of Federal Regulations [17 CFR 279], in which these rules and forms are published.

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- I. Introduction**

The Commissions are proposing to amend Form PF, the confidential reporting form that certain SEC-registered investment advisers, including those that also are registered with the CFTC as a CPO or a CTA, use to report information about the private funds they advise.² Form PF is a joint form between the SEC and the CFTC with regard to sections 1 and 2. Sections 3, 4, 5 and 6 were adopted solely by the SEC. For this proposal, the SEC and the CFTC are jointly amending the joint sections of the form and the SEC is amending the SEC-only sections of the form. The proposed amendments would eliminate filing obligations for certain advisers, eliminate and streamline certain reporting requirements, and make corrections as well as other revisions. The proposed amendments are designed to eliminate certain burdens, among other things, while ensuring Form PF continues to collect information necessary and appropriate in the public interest and for the protection of investors, or for the assessment of systemic risk in the U.S. financial system by the Financial Stability Oversight Council ("FSOC").³

In 2010, the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (the "Dodd-Frank Act") mandated that the SEC and the CFTC, after consultation with FSOC, jointly promulgate rules to establish the form and content of private fund reports required to be filed with the SEC under the Advisers Act, and with the CFTC by investment advisers that are registered both under the Advisers Act and the Commodity Exchange Act.⁴ The Advisers Act further mandates that an adviser must maintain records and reports for each private fund it advises,

that include a description of the following: (1) the amount of assets under management and use of leverage, including off-balance-sheet leverage; (2) counterparty credit risk exposure; (3) trading and investment positions; (4) valuation policies and practices of the fund; (5) types of assets held; (6) side arrangements or side letters, whereby certain investors in a fund obtain more favorable rights or entitlements than other investors; (7) trading practices; and (8) such other information as the SEC, in consultation with FSOC, determines is necessary and appropriate in the public interest and for the protection of investors or for the assessment of systemic risk, which may include the establishment of different reporting requirements for different classes of fund advisers, based on the type or size of private fund being advised.⁵

In response to these mandates, the Commissions adopted Form PF in 2011 and have amended Form PF multiple times, including substantively in 2023 and 2024.⁶ In 2023, among other things, the SEC added requirements for (1) large hedge fund advisers to submit current reports about certain events at their qualifying hedge funds, and (2) private equity fund advisers to submit certain quarterly reports.⁷

In 2024, the Commissions comprehensively amended Form PF (the "2024 amendments"), but delayed the compliance date several times, including most recently until October 1, 2026.⁸ As a result, advisers have been

⁵ 15 U.S.C. 80b–(b)(3).

⁶ Reporting by Investment Advisers to Private Funds and Certain Commodity Pool Operators and Commodity Trading Advisors on Form PF, Release No. IA–3308 (Oct. 31, 2011), [76 FR 71128 (Nov. 16, 2011)] ("2011 Form PF Adopting Release"); Form PF; Reporting Requirements for All Filers and Large Hedge Fund Advisers, Release No. IA–6546 (Feb. 8, 2024), [89 FR 17984 (Mar. 12, 2024)] ("2024 Form PF Adopting Release"); Form PF; Reporting Requirements for All Filers and Large Hedge Fund Advisers, IA–6865 (Mar. 19, 2025), [90 FR 15394 (Apr. 11, 2025)]; Money Market Fund Reforms; Form PF Reporting Requirements for Large Liquidity Fund Advisers; Technical Amendments to Form N–CSR and Form N–1A, Release No. IA–6344 (Jul. 12, 2023), [88 FR 51404 (Aug. 3, 2023)]; Form PF; Event Reporting for Large Hedge Fund Advisers and Private Equity Fund Advisers; Requirements for Large Private Equity Fund Adviser Reporting, Release No. IA–6297 (May 3, 2023), [88 FR 38146 (Jun. 12, 2023)] ("May 2023 Form PF Adopting Release"); Money Market Fund Reform; Amendments to Form PF, Release No. IA–3879 (Jul. 23, 2014), [79 FR 47736 (Aug. 14, 2014)].

⁷ May 2023 Form PF Adopting Release; Form PF sections 5 and 6; Glossary of Terms for the definition of "qualifying hedge fund."

⁸ 2024 Form PF Adopting Release; Form PF; Reporting Requirements for All Filers and Large Hedge Fund Advisers; Further Extension of Compliance Date, Release No. IA–6919 (Sept. 17, 2025), [90 FR 45131 (Sept. 19, 2025)]; *see also*,

² 15 U.S.C. 80b–2(a)(29) (defining "private fund").

³ *See* 15 U.S.C. 80b–(b)(1)(A) and 15 U.S.C. 80b–4(b)(5).

⁴ Public Law 111–203, 124 Stat. 1376 (2010); 15 U.S.C. 80b–11(e).

allowed to continue to file the version of Form PF in effect before the adoption of the 2024 amendments. The Commissions delayed the compliance date to (1) address certain challenges associated with the reporting cycle timing, (2) provide the industry more time to comply with the 2024 amendments, and (3) provide the Commissions time to complete a review in accordance with a Presidential Memorandum issued by President Donald J. Trump.⁹ Specifically, on January 20, 2025, the President issued a Presidential Memorandum directing agencies to consider postponing the effective date of any rules that had been published in the **Federal Register**, or that were issued but had not yet taken effect, for the purpose of reviewing any questions of fact, law, and policy that the rules may raise. The Presidential Memorandum further provides that, for those rules that raise substantial questions of fact, law, or policy, agencies should provide notice and take further appropriate action.

In accordance with the Presidential Memorandum, the Commissions determined to conduct a comprehensive

review that extended to the entire form. As a result of this comprehensive review, we are proposing several changes to Form PF that are designed to eliminate certain burdens, streamline certain requirements, and make corrections, as well as other revisions:

First, we propose to eliminate filing requirements for smaller advisers, irrespective of the categories of private funds they advise. Specifically, we propose to raise the filing threshold for all filers, from \$150 million in private fund assets under management to \$1 billion.¹⁰ We estimate that this proposed change would eliminate filing obligations for almost half of the advisers that currently must file Form PF.¹¹ We further estimate that with this proposed filing threshold, Form PF would continue to obtain information on over 90 percent of private fund gross asset value that advisers report.¹² Therefore, this proposed change is designed to eliminate filing burdens for smaller advisers, while continuing to collect data on a significant percentage of private fund assets.

Second, we propose to eliminate certain reporting requirements for smaller hedge fund advisers.

Specifically, we propose to raise the reporting threshold for large hedge fund advisers from \$1.5 billion in hedge fund assets under management to \$10 billion.¹³ We estimate that this proposed change would eliminate certain reporting obligations for almost two-thirds of advisers that currently must report as large hedge fund advisers.¹⁴ We estimate that with this proposed reporting threshold, Form PF would continue to obtain information quarterly on over 80 percent of hedge fund gross asset value that advisers report.¹⁵ Therefore, this proposed change is designed to eliminate certain reporting burdens for smaller hedge fund advisers, while continuing to obtain information on a substantial portion of the assets of the hedge fund industry.

Third, we propose to eliminate certain requirements, including quarterly event reporting, certain current reporting, and other requirements, as well as streamline certain requirements, and make corrections and other revisions.

Table 1a summarizes the proposed changes to the filing threshold for all Form PF filers and the reporting threshold for large hedge fund advisers:

TABLE 1a—PROPOSAL TO INCREASE CERTAIN THRESHOLDS

<i>Eliminate filing requirements for smaller advisers.</i>	We propose to increase the filing threshold for all filers from \$150 million in private fund assets under management to \$1 billion. (Rule 204(b)–1(a) and General Instruction 1.)
<i>Eliminate certain reporting requirements for smaller hedge fund advisers.</i>	We propose to increase the reporting threshold for large hedge fund advisers from \$1.5 billion in hedge fund assets under management to \$10 billion. (General Instruction 3.)

Table 1b summarizes the proposed changes to the reporting obligations:

TABLE 1b—PROPOSED CHANGES TO REPORTING OBLIGATIONS

<i>Eliminate separate reporting for certain feeder funds.</i>	Currently, filers must separately report each component fund of master-feeder arrangements and parallel fund structures, except under certain limited circumstances. We propose to eliminate this separate reporting requirement for any feeder fund that has <i>de minimis</i> holdings outside a single master fund, U.S. treasury bills, and/or cash and cash equivalents. (General Instruction 6.)
<i>Eliminate “look through” requirements</i>	Currently, Form PF provides instructions for where a filer should “look through” a reporting fund’s investments in other private funds and entities. We propose to eliminate the prescriptive “look through” requirements and allow filers to report indirect exposures based on reasonable estimates that are consistent with their internal methodologies and the conventions of service providers. (General Instructions 7 and 8, and conforming amendments to certain questions and asset classes in the Glossary of Terms.)
<i>Eliminate identification requirements for certain trading vehicles.</i>	Currently, if a reporting fund holds assets, incurs leverage, or conducts trading or other activities through a trading vehicle, the adviser must provide identifying information about each such trading vehicle. We propose to narrow the universe of trading vehicles that advisers must identify. (Question 9.)

Form PF; Reporting Requirements for All Filers and Large Hedge Fund Advisers; Further Extension of Compliance Date, Release No. IA–6883 (June 11, 2025), [90 FR 25140 (June 16, 2025)]; Form PF; Reporting Requirements for All Filers and Large Hedge Fund Advisers; Extension of Compliance Date, Release No. IA–6838 (Jan. 29, 2025), [90 FR

9007 (Feb. 5, 2025)] (“January 2025 Form PF Extension Release”).
⁹ See *id.*; Regulatory Freeze Pending Review (Jan. 20, 2025) [90 FR 8249 (Jan. 28, 2025)], available at <https://www.whitehouse.gov/presidential-actions/2025/01/regulatory-freeze-pending-review/> (the “Presidential Memorandum”).

¹⁰ Proposed rule 204(b)–1(a); proposed Form PF General Instruction 1; Form PF Glossary of Terms (defining “private fund assets under management”).
¹¹ See *infra*, Table 2.
¹² See *infra*, Table 2.
¹³ Form PF General Instruction 3.
¹⁴ See *infra*, Table 4.
¹⁵ *Id.*

TABLE 1b—PROPOSED CHANGES TO REPORTING OBLIGATIONS—Continued

<i>Eliminate certain performance volatility reporting requirements.</i>	Currently, if an adviser calculates a market value on a daily basis for any position in the reporting fund's portfolio, it must report certain volatility information including aggregated calculated values, monthly annualized volatility of returns, and other data associated with the daily rates-of-return. We propose to eliminate these requirements. (Question 23(c).)
<i>Eliminate certain trading and clearing reporting requirements.</i>	Currently, filers must report how they use trading and clearing mechanisms, including the value traded over the reporting period and the value of positions at the end of the reporting period. We propose to eliminate the requirement to report the value of positions at the end of the reporting period. (Questions 29 and 30.)
<i>Streamline adjusted exposure reporting.</i>	Currently, large hedge fund advisers must report their qualifying hedge funds' monthly adjusted exposures using multiple methods. We propose to eliminate one of the methods, so advisers would no longer be required to report additional adjusted exposure based on the adviser's internal methodologies. (Question 32.)
<i>Eliminate portfolio turnover reporting ..</i>	Currently, large hedge fund advisers must report the value of their qualifying hedge funds' monthly turnover by asset class. We propose to eliminate this question. (Question 34.)
<i>Reduce burdens associated with reporting North American Industry Classification System ("NAICS") codes.</i>	Currently, large hedge fund advisers must report their qualifying hedge funds' monthly industry exposures when they exceed a certain amount, using the six-digit NAICS code that best describes a company's primary business activity and principal source of revenue. We propose to provide flexibility to allow filers to report fewer digits of the NAICS codes for industry exposures. (Question 36; see the Glossary of Terms (defining "NAICS code."))
<i>Eliminate certain reporting concerning qualifying hedge funds' monthly exposures to reference assets and, instead, include streamlined exposure reporting under an existing extraordinary loss current report trigger.</i>	Currently, large hedge fund advisers must report details about their qualifying hedge funds' monthly concentrated exposure to specific, position-level reference assets. We propose to eliminate those questions. Instead, if large hedge fund advisers file a current report about their qualifying hedge funds' extraordinary investment losses, they would include a description of the largest exposure contributing to the loss. (Questions 39 and 40, and section 5, Item B.)
<i>Simplify certain large hedge fund counterparty exposure reporting.</i>	Currently, large hedge fund advisers must report in a consolidated counterparty exposure table their qualifying hedge funds' borrowing, collateral received, lending, and posted collateral, all aggregated across all counterparties as of the end of each month. We propose to eliminate this table and direct large hedge fund advisers to: (1) complete the more simplified table in Question 26 for their qualifying hedge funds; and (2) report all borrowings to significant counterparties under Questions 42 and 43, and (3) categorize significant borrowing entries in Question 42. (Questions 41 and 42, and conforming amendments to Questions 18, 26, 43, and the Glossary of Terms.)
<i>Eliminate rehypothecation reporting ...</i>	Currently, large hedge fund advisers must report the total amount of collateral posted by counterparties to the qualifying hedge fund that may be and has been rehypothecated by the qualifying hedge fund. We propose to eliminate these questions. (Question 45.)
<i>Modify the current reporting trigger for all current reports.</i>	Currently, section 5 requires large hedge fund advisers to file a current report "as soon as practicable, but no later than 72 hours" upon the occurrence of certain events at their qualifying hedge fund. The SEC proposes to modify the reporting trigger by removing the requirement to report as soon as practicable. Under the proposal, large hedge fund advisers would have the full 72 hours to file a current report. (Section 5.)
<i>Eliminate current reporting for large hedge fund advisers concerning certain margin defaults.</i>	Currently, large hedge fund advisers are required to report within 72 hours if their qualifying hedge fund is in margin default or is unable to meet a call for margin, collateral, or equivalents. The SEC proposes to eliminate this requirement. (Section 5, Item D.)
<i>Eliminate current reporting for certain operations events.</i>	Currently, large hedge fund advisers are required to report within 72 hours if their qualifying hedge fund client experiences an operations event (<i>i.e.</i> , a significant disruption or degradation of the fund's "critical operations"). Form PF defines "critical operations" as operations necessary for (1) the investment, trading, valuation, reporting, and risk management of the reporting fund; or (2) the operation of the reporting fund in accordance with the Federal securities laws and regulations. The SEC proposes to eliminate the second element. (Section 5, Item G, and the Glossary of Terms.)
<i>Eliminate current reporting related to the inability to satisfy redemption requests.</i>	Currently, large hedge fund advisers are required to report within 72 hours if their qualifying hedge fund (1) is unable to pay redemption requests or (2) has suspended redemptions and the suspension lasts for more than five consecutive business days. The SEC proposes to eliminate the first element. (Section 5, Item I.)
<i>Eliminate quarterly event reporting for all private equity fund advisers.</i>	Currently, all private equity fund advisers must submit quarterly reports about adviser-led secondary transactions, general partner removals, termination of investment periods, and fund terminations. The SEC proposes to eliminate this requirement. (Section 6.)
<i>Corrections and other revisions</i>	We propose to make corrections and other revisions to help ensure filers clearly understand Form PF requirements.
<i>Request for comments on private credit reporting.</i>	We are requesting comment on whether to modify the information that advisers must report about private credit funds.

The Commissions have consulted with FSOC to gain input on this proposal, and to help ensure that Form PF continues to provide FSOC with information it needs to carry out its monitoring obligations and its assessment of systemic risk while also

not requiring the reporting of information that is not useful to FSOC in carrying out these responsibilities.

II. Discussion

A. Increase the Filing Threshold for All Form PF Filers

The Commissions propose to increase Form PF's filing threshold for all filers. Currently, SEC-registered advisers must

file Form PF if they and their related persons, collectively, had at least \$150 million in private fund assets under management as of the last day of their most recently completed fiscal year.¹⁶ We propose to increase this filing threshold from \$150 million to \$1 billion.¹⁷

When the Commissions adopted Form PF in 2011, the Commissions set a filing threshold of \$150 million in private fund assets under management, which aligned with the private fund adviser registration exemption that the Dodd-Frank Act created.¹⁸ The Commissions stated that the filing threshold, based on an adviser's private fund assets under

management, would adequately differentiate between advisers with only smaller funds and those with significant fund assets.¹⁹ Since then, Form PF has provided the Commissions with a greater ability to analyze and understand data on private fund advisers. With over a decade of experience reviewing Form PF data, we can more accurately determine an appropriate filing threshold for assessing systemic risk. Indeed, Form PF data show that the private fund industry has grown dramatically. For example, from 2013 to the first quarter of 2025, the aggregated private fund gross asset value that advisers reported

on Form PF more than tripled, from \$8 trillion to over \$25 trillion.²⁰

As Table 2 shows, we estimate that the proposed filing threshold would continue to allow Form PF to obtain information on approximately 94 percent of the most recent aggregate private fund gross asset value reported, while reducing the percentage of advisers that are required to file by almost half. Therefore, this proposed change is designed to better differentiate those advisers with significant private fund assets, consistent with the Commissions' original intent for the filing threshold.²¹

TABLE 2—COMPARING THE CURRENT FILING THRESHOLD TO THE PROPOSED FILING THRESHOLD ¹

	Current \$150 million threshold (%)	Proposed \$1 billion threshold (%)	Impact ²
Percent of All SEC-Registered Advisers to Private Funds	70	40	43% fewer advisers would file.
Percent of All Private Funds Reported by SEC-Registered Advisers ³ .	83	68	18% fewer private funds' data would be reported.
Percent of Private Fund Gross Assets Reported by SEC-Registered Advisers ³ .	96	94	2% less gross asset value would be reported.

Notes:

1. Form PF data as of the first quarter of 2025 and Form ADV data as of December 2024.

2. Impact Column = (Current Threshold Column – Proposed Threshold Column)/Current Threshold Column.

3. Denominators for the Current Threshold Column and the Proposed Threshold Column calculations include private funds reported on Form PF and Form ADV by SEC-Registered Advisers.

In determining how to propose recalibrating the filing threshold, the Commissions considered the alternatives outlined in Table 3 and the distribution of private fund assets across advisers with the goal of ensuring coverage of a significant percentage of private fund industry managed assets, while at the same time minimizing filing burdens on private fund advisers where their smaller size may both disproportionately increase the burdens of reporting and reduce their likelihood of having a meaningful effect on the assessment of systemic risk.²²

As evidenced by Table 3, the percentage of private fund gross assets reported by SEC-registered advisers is concentrated with the largest private fund advisers (measured by assets) of the private fund industry as a whole, which would allow us to raise the reporting threshold while maintaining

substantial reporting coverage of the private fund industry by assets. However, setting the threshold too high has the potential to narrow the field of reporting advisers to a degree that they skew or fail to represent the range of private fund strategies and activities that may materially inform systemic risk assessment and investor protection efforts. Therefore, as Table 3 highlights, the proposed filing threshold is designed to strike a balance between reducing the percentage of advisers that would be required to file, and the associated burdens, while helping ensure that Form PF would continue to collect information about a significant percentage of private fund gross assets appropriately to inform the assessment of systemic risk.

By increasing the Form PF filing threshold as proposed, the burdens of Form PF's section 1 collection of

information would be more focused on advisers that manage private fund assets representing a significant percentage of the private fund industry and, thus, providing a diverse and representative view of private fund advisers for systemic risk assessment, while recognizing that Form PF can be burdensome for smaller advisers that the Commissions understand generally have fewer resources available to fulfil the reporting requirements of Form PF and who are less likely to have systemic risk impact.

As Table 3 indicates, by raising the filing threshold to \$1 billion, we would be able to maintain insight into the potential systemic risk implications of private funds while eliminating filing burdens for many advisers.

¹⁶ Rule 204(b)–1(a); Form PF General Instruction 1.

¹⁷ Proposed rule 204(b)–1(a); proposed Form PF General Instruction 1.

¹⁸ See 15 U.S.C. 80b–3(m); 17 CFR 275.203(m)–1; 2011 Form PF Adopting Release.

¹⁹ 2011 Form PF Adopting Release at n.54.

²⁰ SEC staff Private Fund Statistics (Dec. 15, 2015) and SEC staff Private Fund Statistics (First Calendar Quarter 2025), available at <https://www.sec.gov/data-research/statistics-data-visualizations/private-fund-statistics>. Staff reports, statistics, and other staff documents (including those cited herein) represent the views of SEC staff and are not a rule, regulation, or statement of the SEC. The SEC has neither approved nor disapproved the content of

these documents and, like all staff statements, they have no legal force or effect, do not alter or amend applicable law, and create no new or additional obligations for any person.

²¹ 2011 Form PF Adopting Release at n.54.

²² See also *infra* section III.C.2 for a more detailed discussion of benefits and costs of increasing the filing threshold for all Form PF filers.

TABLE 3—ALTERNATIVE FILING THRESHOLDS ¹

Filing threshold	Percent of all SEC-registered advisers to private funds	Percent of all private funds reported by SEC-registered advisers ²	Percent of private fund gross assets reported by SEC-registered advisers ²
Current \$150 Million	70	83	96
Alternative \$250 Million	64	83	96
Alternative \$500 Million	53	76	95
Proposed \$1 Billion	40	68	94
Alternative \$2 Billion	30	60	91
Alternative \$3 Billion	25	55	89
Alternative \$4 Billion	22	51	87

Notes¹ Form PF Data as of the First Quarter of 2025 and Form ADV data as of December 2024.² Denominators for the calculations include private funds reported on Form PF and Form ADV by SEC-Registered Advisers.

SEC-registered advisers that would no longer meet the Form PF filing threshold, and as a result, would no longer be required to report on Form PF, would nonetheless continue to publicly report certain information about their private funds on 17 CFR 279.1 (Form ADV), as all SEC-registered advisers of such funds are required to do. Form ADV, which is publicly available, provides the SEC and investors with information about advisers (including private fund advisers) and the funds they manage, and is designed to provide the SEC with information necessary to its investor protection efforts. In contrast, Form PF is primarily designed to facilitate FSO's assessment of systemic risk, although it is available to assist the Commissions in their regulatory programs for the protection of investors.²³ Accordingly, the proposed changes would not eliminate all private fund data reporting for the affected advisers. Any SEC-registered adviser that would no longer be required to file Form PF would nonetheless continue to report information about its private funds on Form ADV.²⁴

We request comment on the proposed change to the filing threshold:

1. Should the Commissions increase the filing threshold for all private fund advisers as proposed? If not, should the current filing threshold be kept constant, increased less than the proposed threshold, or increased more than the proposed threshold? Should the Commissions adopt any of the alternative thresholds presented in Table 3? For example, should the Commissions adopt a filing threshold of \$250 million, \$500 million, \$2 billion, or \$3 billion? If the threshold should be changed, what is the appropriate threshold and why?

2. Would the proposal to increase the filing threshold sufficiently alleviate burdens on private fund advisers? Please provide quantitative and qualitative data to support your conclusion.

3. Would the proposed filing threshold result in Form PF collecting information about the private fund industry necessary and appropriate in the public interest and for the protection of investors, or for the assessment of systemic risk?

4. Should the Commissions also adopt a filing threshold that adjusts for inflation? If the Commissions should adopt an inflation adjustment for the filing threshold, how should the Commissions measure the inflation adjustment? For example, should the Commissions measure the inflation adjustment from the time of the filing threshold's original adoption in 2011, or from the date the inflation adjustment would be adopted, or from another date? Is there a price index, such as the Personal Consumption Expenditures Chain-Type Price Index, the Consumer Price Index for All Urban Consumers, the Producer Price Index, or the GDP Price Deflator, that would be best suited for this adjustment? Would using a securities market index such as the S&P 500 or the NYSE Composite Index, which is not based on inflation, be a better way to adjust the filing threshold on an ongoing basis? At what cadence should the inflation be adjusted? For example, yearly, or every ten years, or any other cadence?

B. Increase the Reporting Threshold for Large Hedge Fund Advisers

The Commissions also propose to increase Form PF's reporting threshold for large hedge fund advisers. Currently, to qualify as a large hedge fund adviser, a Form PF filer and its related persons must have, collectively, at least \$1.5 billion in hedge fund assets under management as of the last day of any month in the fiscal quarter immediately

preceding their most recently completed fiscal quarter and manage a qualifying hedge fund.²⁵ We propose to increase the large hedge fund reporting threshold from \$1.5 billion to \$10 billion.²⁶

If an adviser qualifies as a large hedge fund adviser, it must file section 1 quarterly, instead of annually as it would if it were a hedge fund adviser that did not qualify as a large hedge fund adviser.²⁷ Section 1a requires all advisers to report general identifying information about themselves and the private funds they advise, including a breakdown of regulatory assets under management and net assets under management. Section 1b requires all advisers to report information about each private fund they advise, including the following: (1) the private fund type; (2) assets, financing, and investor concentration; and (3) performance. Section 1c requires all advisers to report information about each hedge fund they advise, including the following: (1) investment strategies; (2) exposures; (3) counterparties; and (4) trading and clearing mechanisms.

If an adviser qualifies as a large hedge fund adviser, it also must file Form PF section 2 quarterly with respect to each qualifying hedge fund that it advises, including the following: (1) identifying information; (2) exposures and trading; (3) risk metrics and performance; (4) financing information; and (5) investor information.²⁸

If an adviser qualifies as a large hedge fund adviser, it is also subject to Form PF Section 5 reporting, which requires a large hedge fund adviser to report information as soon as practicable, but no later than 72 hours upon the occurrence of certain events at qualifying hedge funds it advises,

²⁵ Form PF General Instruction 3; Form PF Glossary of Terms (defining "hedge fund assets under management").

²⁶ Proposed Form PF General Instruction 3.

²⁷ Form PF General Instruction 9.

²⁸ Form PF General Instruction 3 and Form PF section 2.

²³ See 15 U.S.C. 80b-4(b)(1)(A); 15 U.S.C. 80b-4(b)(5); Form PF.

²⁴ These advisers also must continue to comply with the Adviser Act's mandate to maintain certain enumerated records and reports for each private fund. See 15 U.S.C. 80b-4(b)(3).

including the following: (1) extraordinary investment losses; (2) margin, collateral, or equivalent increases; (3) notice of margin default or determination of inability to meet a call for margin, collateral, or equivalents; (4) counterparty defaults; (5) prime broker relationships that have been terminated or materially restricted; (6) operations events; (7) withdrawals and redemptions; and (8) if the qualifying hedge fund is unable to satisfy redemptions or suspends redemptions.

Therefore, an adviser that would no longer qualify as a large hedge fund adviser under the proposed threshold would file section 1 annually, instead of quarterly, and would not file section 2 or be subject to section 5 current reporting, absent any other requirements.²⁹ While the quarterly section 1, quarterly section 2, and

section 5 current reporting are important for the largest hedge fund advisers that are more likely to be systemically important, they can impose disproportionate burdens on smaller advisers that are less likely to be systemically important.³⁰ Any SEC-registered adviser would continue to report information about its private funds on Form ADV.³¹

When Form PF was originally adopted, the Commissions stated that the reporting thresholds were designed so that the group of large private fund advisers (including large hedge fund advisers) filing Form PF would be relatively small in number but would represent a substantial portion of the assets of their respective industries.³² At that time, the Commissions estimated that advisers each managing at least \$1.5 billion in hedge fund assets represented

over 80 percent of the U.S. hedge fund industry based on assets under management.³³

As Table 4 shows, we estimate that the proposed higher threshold would still result in Form PF obtaining information quarterly on over 80 percent of hedge fund gross asset value that advisers report, while reducing the percentage of advisers that are required to file as large hedge fund advisers by almost two-thirds. Therefore, the proposed change is designed to continue to obtain information on a substantial portion of the assets of the hedge fund industry, consistent with the Commission’s original intent for the large hedge fund reporting threshold, while reducing burdens on hedge fund advisers.

TABLE 4—COMPARING THE CURRENT LARGE HEDGE FUND REPORTING THRESHOLD TO THE PROPOSED REPORTING THRESHOLD ¹

	Current \$1.5 billion threshold (%)	Proposed \$10 billion threshold (%)	Impact ²
Percent of SEC-registered advisers reporting as large hedge fund advisers.	26	9	65% fewer advisers would be required to report as large hedge fund advisers.
Percent of hedge funds reported by large hedge fund advisers related to those reported by all SEC-reg-istered advisers ³ .	49	34	Data on 31% fewer hedge funds would be reported under the large hedge fund adviser requirements, and instead would be reported under other require-ments, as applicable.
Percent of hedge fund gross assets reported by large hedge fund advisers related to those reported by all SEC-registered advisers ³ .	92	81	12% less of hedge fund gross asset value would be reported under the large hedge fund adviser re-quirements, and instead would be reported under other requirements, as applicable.

Notes:
1. Form PF data as of the first quarter of 2025 and Form ADV data as of December 2024.
2. Impact Column = (Current Threshold Column – Proposed Threshold Column)/Current Threshold Column.
3. Denominators for the Current Threshold Column and the Proposed Threshold Column calculations include hedge funds reported on Form PF and Form ADV by SEC-Registered Advisers.

We chose the proposed reporting threshold in light of the alternatives outlined below in Table 5, with the goal of helping ensure that Form PF would continue to collect information necessary and appropriate in the public interest and for the protection of investors, or for the assessment of systemic risk, while reducing burdens on hedge fund advisers.³⁴ As in the past, the proposed amended reporting threshold is designed so that the group of large hedge fund advisers filing Form PF would be relatively small in number but represent a substantial portion of hedge fund assets.³⁵ In determining where to propose re-calibrating the

reporting threshold, the Commissions considered the alternatives outlined in Table 5 and the distribution of hedge fund assets with the goal of ensuring coverage of a substantial portion of hedge fund assets, while at the same time minimizing filing burdens on hedge fund advisers where their smaller size may both increase the burdens of reporting and reduce their likelihood of having a meaningful effect on the assessment of systemic risk.

As evidenced by Table 5, the percent of hedge fund gross assets reported by SEC-registered hedge fund advisers is concentrated at the largest hedge fund advisers, which would allow us to raise

the reporting threshold while maintaining substantial reporting coverage of the hedge fund industry assets. However, setting the threshold too high has the potential to narrow the field of large hedge fund advisers to a degree that they skew or fail to represent the range of hedge fund strategies and activities that may materially inform systemic risk assessment. As a result, FSOC and the Commissions could miss emerging trends in the hedge fund industry. Furthermore, too few hedge fund advisers subject to quarterly reporting, instead of annual reporting, as well as enhanced Form PF reporting in sections 2 and 5, could result in

²⁹ For example, large liquidity fund advisers must file section 1 quarterly, among other requirements. See Form PF General Instruction 9.
³⁰ See *infra* section III.C.3 for a more detailed discussion of benefits and costs of increasing the reporting threshold for large hedge fund advisers.
³¹ See *supra* footnote 24.
³² 2011 Form PF Adopting Release at text after n.87.
³³ 2011 Form PF Adopting Release at n.88 and accompanying text.
³⁴ 15 U.S.C. 80b–4(b)(1)(A) and 15 U.S.C. 80b–4(b)(5).
³⁵ See 2011 Form PF Adopting Release at text following n.87.

FSOC and the Commissions being alerted in a less timely manner to certain events that may indicate significant stress at a hedge fund that could signal risk in the broader financial system. Therefore, as Table 5 highlights, the proposed reporting threshold is designed to strike the appropriate balance between reducing the percentage of hedge fund advisers that would be required to file as large hedge fund advisers, while helping ensure that Form PF would continue to collect information on a substantial portion of the assets of the hedge fund industry.

In addition, the SEC is proposing to require its staff to report to the SEC on each filing and reporting threshold in the form, assessing whether any should be adjusted, approximately five years after the compliance date for the amendments to the form and approximately every five years thereafter.³⁶ These staff reports would help the SEC periodically evaluate the continued appropriateness of the filing and reporting thresholds in all respects, including whether proposing revisions to the thresholds would be appropriate. In producing this report, the staff would

be directed to consider data collected by the SEC pursuant to Form PF, as well as any other applicable information as the staff may determine to be appropriate for its analysis. As the private fund adviser industry grows and changes, such a report and related review would be designed to ensure that the form continues to impose minimal filing burdens for small advisers, while continuing to collect data on a significant percentage of private fund assets.³⁷

TABLE 5—ALTERNATIVE LARGE HEDGE FUND REPORTING THRESHOLDS¹

Reporting threshold	Percent of all SEC-registered advisers to hedge funds	Percent of all hedge funds reported by SEC-registered advisers ²	Percent of hedge fund gross assets reported quarterly by SEC-registered advisers ²	Percent of hedge fund gross assets reported as QHFs by SEC-registered advisers ^{2,3}
Current \$1.5 Billion	26	49	92	84
Alternative \$2 Billion	22	47	91	83
Alternative \$3 Billion	19	44	90	82
Alternative \$5 Billion	14	41	86	79
Alternative \$7.5 Billion	11	37	83	76
Proposed \$10 Billion	9	34	81	74
Alternative \$15 Billion	7	29	77	70
Alternative \$20 Billion	6	27	74	68

Notes:

1. Form PF Data as of the First Quarter of 2025 and Form ADV data as of December 2024.
2. Denominators for the calculations include hedge funds reported on Form PF and Form ADV by SEC-Registered Advisers.
3. Reported by SEC-registered advisers for qualifying hedge funds (QHFs) on Form PF section 2.

We request comment on the proposed change to the large hedge fund reporting threshold:

5. Should the Commissions increase the large hedge fund adviser reporting threshold, as proposed? If not, should the current reporting threshold be kept constant, increased less than the proposed threshold, or increased more than the proposed threshold? Instead of the proposed reporting threshold, should the Commissions adopt one of the alternative thresholds listed in Table 5? For example, should the Commissions adopt a reporting threshold of \$2 billion, \$3 billion, \$15 billion, or \$20 billion? If the threshold should be changed, what is the appropriate threshold and why?

6. Would the proposal to increase the reporting threshold sufficiently alleviate burdens on hedge fund advisers? Please provide quantitative and qualitative data.

7. Would the proposed reporting threshold result in Form PF collecting information about the hedge fund industry necessary and appropriate in

the public interest and for the protection of investors, or for the assessment of systemic risk?

8. The SEC is proposing to require its staff to report to the SEC on each filing and reporting threshold in the form, assessing whether any should be adjusted, approximately five years after the compliance date for the amendments to the form and approximately every five years thereafter. Alternatively, should the Commissions adopt a large hedge fund adviser reporting threshold that adjusts for inflation? If so, should the Commissions adopt the same inflation adjustment for all or just certain reporting thresholds in Form PF, or only for the large hedge fund adviser threshold? If the Commissions should adopt an inflation adjustment for any reporting threshold on Form PF, how should the Commissions measure the inflation adjustment? For example, should the Commissions measure the inflation adjustment from the time of the reporting threshold's original

adoption in 2011, or from the date the inflation adjustment would be adopted, or from another date? Is there a price index, such as the Personal Consumption Expenditures Chain-Type Price Index, the Consumer Price Index for All Urban Consumers, the Producer Price Index, or the GDP Price Deflator, that would be best suited for this adjustment? Would using a securities market index such as the S&P 500 or the NYSE Composite Index, which is not based on inflation, be a better way to adjust the reporting threshold on an ongoing basis? At what cadence should the inflation be adjusted? For example, yearly, or every ten years, or any other cadence?

9. Should the Commissions increase the qualifying hedge fund threshold? Why or why not? What is the appropriate qualifying hedge fund threshold (e.g., a net asset value of \$750 million or \$1 billion)? The qualifying hedge fund threshold is based on net asset value, while the large hedge fund adviser threshold is based on gross asset

³⁶ Proposed rule 204(b)–1(h).

³⁷ See also 15 U.S.C. 80b–4(b)(3)(H) (providing that the reports required by an investment adviser

for each private fund advised by the investment adviser, among other matters, may include the establishment of different reporting requirements

for different classes of fund advisers, based on the type or size of private fund being advised).

value. Under the proposed amendments this construction would have two results: (1) it identifies and requires more detailed and frequent reporting for hedge fund advisers that manage several large hedge funds and (2) it identifies and requires more detailed and frequent reporting for hedge fund advisers that manage hedge funds with significant use of leverage. Is there an alternative approach to ensure hedge funds using significant leverage are reporting in the more detailed section 2 on a quarterly basis? If we increased the qualifying hedge fund threshold, should we change the threshold to measure on a gross asset value basis so that it does not disproportionately eliminate more frequent and detailed reporting from more leveraged hedge funds?

10. Should the Commissions increase the large liquidity fund adviser threshold? Why or why not? If so, what is the appropriate threshold for large liquidity fund advisers (e.g., \$2 billion, \$3 billion, \$5 billion)?

11. Should the Commissions increase the large private equity fund adviser threshold? Why or why not? If so, what is the appropriate threshold for large private equity fund advisers (e.g., \$3 billion, \$5 billion)?

C. Disregarded Feeder Funds

The Commissions propose to allow advisers not to separately report feeder funds with minimal holdings outside of a feeder fund's interest in a master fund. Specifically, the Commissions propose to revise General Instruction 6 to permit advisers to treat a feeder fund as "disregarded" if it invests not more than five percent of its gross asset value in investments that are not in a single master fund, U.S. treasury bills, and/or cash and cash equivalents.³⁸ This proposed change is designed to reduce filing burdens on advisers and better balance against the need for the Commissions and FSOC to understand the reporting fund's structure and the risk exposure of its component funds.³⁹

Prior to the 2024 amendments, Form PF provided advisers with flexibility to respond to questions regarding master-feeder arrangements and parallel fund structures, either in the aggregate or separately, as long as they did so consistently throughout Form PF. This resulted in some advisers reporting in aggregate and some advisers reporting separately, and consequently, obscured risk profiles (e.g., with respect to leverage, counterparty exposure,

investor liquidity) and created difficulties when comparing complex structures.⁴⁰

In 2024, the Commissions adopted amendments to Form PF that generally require separate reporting for every component fund of a master-feeder arrangement and parallel fund structure.⁴¹ By prescribing the way advisers report master-feeder arrangements and parallel fund structures, the 2024 amendments were intended to provide the Commissions and FSOC with better insight into the risks and exposures of these arrangements. The 2024 amendments, however, required disregarded feeder funds to be aggregated in the reporting about master-feeder arrangements and parallel fund structures. Defined in General Instruction 6 as a feeder fund that invests all of its assets in a single master fund, U.S. treasury bills,⁴² and/or cash and cash equivalents, a "disregarded feeder fund" effectively invests only through its associated master fund, and the Commissions stated that separate reporting of these funds is not necessary for data analysis purposes because it would not convey additional information about their exposures.⁴³

Since the adoption of the 2024 amendments, industry members have highlighted the significance of the burdens associated with disaggregating feeder funds in their reporting.⁴⁴ In communications with the SEC staff, several filers have stated that many private funds utilize complex master-feeder arrangements, and that separate reporting of feeder funds without additional exceptions would cause substantial burdens because it requires the collection of many more data points about many more fund entities in these private fund structures.⁴⁵ Some filers said feeders that hold minimal holdings outside of the master fund should be disregarded, as the *de minimis* amount of these outside assets do not alter the risk picture of the feeder. These filers stated that disaggregated reporting does not reflect how advisers typically

manage risk and liquidity for these funds, and that reporting instructions should align with advisers' typical risk management practices in order to result in meaningful and accurate data.⁴⁶

In response to these concerns, we are proposing to change General Instruction 6 to allow advisers to aggregate in their reporting about master-feeder arrangements feeder funds that hold a *de minimis* amount of investments outside of the master fund.⁴⁷ Under the proposed change to General Instruction 6, advisers would be able to treat a feeder fund that invests not more than five percent of its gross asset value⁴⁸ in other investments that are not in a single master fund, U.S. treasury bills, and/or cash and cash equivalents, as a disregarded feeder fund. Accordingly, advisers would be permitted to aggregate such feeder funds in their reporting about master-feeder arrangements on Form PF. In our view, five percent is an appropriate threshold because it parallels the threshold used in other parts of Form PF to represent a fund's material exposure and a level of exposure that could be significant enough to present broader systemic risk and contagion risk.⁴⁹ The proposed change seeks to better align the Form PF reporting requirements with the way advisers typically track and manage the risk profile of feeder funds while preserving the Commissions and FSOC's ability to obtain a clear understanding of fund structures and the risk exposure of their component funds.⁵⁰

We request comment on the proposed change to General Instruction 6:

⁴⁶ See *id.*

⁴⁷ The proposal also includes changes to Example 1 in General Instruction 6 to illustrate the application of the proposed *de minimis* exception.

⁴⁸ Form PF instructs advisers to calculate gross asset value in accordance with Part 1A, Instruction 6.e(3) of Form ADV, which requires using regulatory assets under management. Instructions for calculating regulatory assets under management are found in Part 1A, Instruction 5.b of Form ADV. See "gross asset value" and "regulatory assets under management" as defined in Form PF Glossary of Terms; Form ADV: Instructions for Part 1A, Instruction 5.b and Instruction 6.e(3). An adviser must calculate its regulatory assets under management on a gross basis, that is, without deduction of any outstanding indebtedness or other accrued but unpaid liabilities. In addition, an adviser must include the amount of any uncalled capital commitments made to a private fund managed by the adviser.

⁴⁹ See, e.g., current Questions 27, 28, 32, 33, 35, 36, 42, 43, 44, 57 of Form PF; 2024 Form PF Adopting Release at section II.B.3 and section II.C.2. See also *infra* section III.F.3 for a discussion of reasonable alternatives to this threshold and *infra* section III.C.4 for further discussion of the benefits and costs of the proposed *de minimis* exception.

⁵⁰ See also *infra* section III.C.4 (explaining that the impact of the proposed change would be mitigated by the "look through" requirements we are retaining for reporting at the master fund level).

³⁸ See proposed Form PF General Instruction 6.

³⁹ See *infra* section III.C.4 for a more detailed discussion of the benefits and costs of the proposed change to Form PF General Instruction 6.

⁴⁰ See 2024 Form PF Adopting Release at section II.A.1.

⁴¹ See current Form PF General Instruction 6.

⁴² See 2024 Form PF Adopting Release at n.25 (explaining that U.S. treasury bills, which are direct obligations of the U.S. Government with a maturity of one year or less, are "sufficiently cash-like" for purposes of the Commissions' reporting and data analysis).

⁴³ See 2024 Form PF Adopting Release at section II.A.1.

⁴⁴ See, e.g., Comment Letter of the Alternative Investment Management Association (June 10, 2025).

⁴⁵ See, e.g., Comment Letter of Managed Funds Association (Mar. 11, 2025).

12. Would the proposed change to General Instructions 6 sufficiently alleviate burdens on private fund advisers?

13. Would the proposed change to General Instruction 6 result in the collection of information about private fund structures and the risk exposure of their component funds necessary and appropriate in the public interest and for the protection of investors, or for the assessment of systemic risk?

14. Would the proposed change to General Instruction 6 result in certain feeder funds that are necessary to assess systemic risk not being identified in the form? If so, how?

15. Is five percent the appropriate threshold for disregarding feeder funds with minimal holdings outside of the master fund? Why or why not? What other percentages (e.g., three percent, ten percent) or methods should the Commissions consider for purposes of identifying disregarded feeder funds that are not necessary and appropriate for the assessment of systemic risk? For example, should we allow filers to treat any feeder fund as disregarded if the filer does not separately consider the feeder fund and its exposures for its risk management purposes? Should we allow, as was the case prior to the 2024 amendments, filers to choose whether to respond to questions in the aggregate or separately, as long as they did so consistently through Form PF? Why or why not?

16. Is “gross asset value,” as defined in the Form PF Glossary of Terms, the appropriate denominator for disregarding feeder funds with minimal holdings outside of the master fund? Why or why not? What alternatives should the Commissions consider as the denominator for purposes of disregarding feeder funds that are not necessary and appropriate for the assessment of systemic risk?

17. Are there types of investments or features of feeder funds that should be considered in permitting aggregation?

18. Is the proposed change to the definition of disregarded feeder fund in General Instruction 6 sufficiently clear? Would this raise any questions about how to determine which feeder funds should be disregarded for purposes of General Instruction 6? Should we provide any additional clarification regarding which feeder funds should be disregarded for purposes of General Instruction 6?

D. Eliminate the Look Through Requirement

The Commissions propose changes to Form PF that would allow advisers to report indirect exposures based on

reasonable estimates that are consistent with their internal methodologies and the conventions of service providers when responding to certain questions that currently require looking through the reporting fund’s investments. Specifically, the Commissions propose to eliminate from General Instructions 7 and 8 the prescriptive requirement that advisers “look through” the reporting fund’s investments when reporting indirect exposures and to instead allow advisers to rely on reasonable estimates consistent with their internal methodologies and conventions of service providers when reporting indirect exposures.⁵¹ The Commissions also propose conforming amendments to the instructions for Questions 32, 33, 35, 36, and 47, and to amend the definitions of certain asset classes in the Glossary of Terms, to allow advisers to report indirect exposures consistent with the amended General Instructions 7 and 8. These changes are intended to reduce and better balance the filing burdens on advisers against the need to obtain clear and comparable data across advisers.

In 2024, the Commissions adopted amendments to General Instructions 7 and 8 to provide that, when responding to questions, advisers generally must not “look through” a reporting fund’s investments in other funds or entities (other than a trading vehicle), unless the question instructs the adviser to report exposure obtained indirectly through the reporting fund’s positions in such other funds or entities. In reporting indirect exposures of the reporting fund in response to certain questions (Questions 32, 33, 35, 36 and 47), General Instruction 7 requires advisers to “look through” the reporting fund’s investments in internal private funds and external private funds. Likewise, General Instruction 8 requires advisers to “look through” the reporting fund’s investments in other funds or entities when reporting indirect exposures in response to those same questions.

Prior to the 2024 amendments, Form PF generally did not address how to report indirect exposures resulting from positions held through other entities, and advisers were not required to (although they had the option to) look through a reporting fund’s investments in another entity, unless the form specifically requested information regarding that entity.⁵² As a result, some advisers were reporting indirect

exposures, while others were not, leading to incomplete and unclear data, inconsistent comparisons, and less precise analysis across advisers. The 2024 amendments changed General Instructions 7 and 8 to direct advisers to report indirect exposures in response to certain questions by mandatorily looking through the reporting fund’s investments in private funds and other entities. These changes were designed to promote FSOC’s effective systemic risk assessments and the Commissions’ investor protection efforts by reducing issues of data quality and incomparability with respect to data regarding indirect exposures of private funds.

After the adoption of the 2024 amendments, however, industry members reported that the rigid and granular reporting required via this mandatory look-through would create significant burdens and in many cases would be operationally difficult.⁵³ For example, several filers noted that looking through a reporting fund’s investment in an exchange-traded fund (an “ETF”) to calculate the reporting fund’s indirect exposure to each underlying investment in the ETF could be particularly burdensome in instances where the ETF tracks and continuously rebalances a broad index comprising potentially hundreds of underlying investments. Other filers stated that the methodology for determining the exact composition of an index may be proprietary and not controlled by the adviser.

We also heard concerns that looking through the reporting fund’s investments in other entities, such as investments in another private fund that in turn invests in portfolio companies, private credit instruments, or securitized assets, could be operationally challenging, if the adviser does not control those entities and therefore has limited access to information regarding the underlying investments, or the data that the adviser does obtain does not align with the timing and reporting requirements of Form PF.

In consideration of these concerns, we are now proposing changes to General Instructions 7 and 8 to eliminate the prescriptive requirement that advisers “look through” the reporting fund’s investments when reporting indirect exposures and to instead allow advisers to report required indirect exposures based on reasonable estimates that are consistent with the adviser’s internal

⁵¹ This proposal, however, would retain the instruction in current General Instruction 7 that advisers must include (look through to) the trading vehicle’s holdings for all questions answered by the reporting fund.

⁵² See 2024 Form PF Adopting Release at section II.A.2.

⁵³ See, e.g., Comment Letter of the Alternative Investment Management Association (Sept. 5, 2025) (“AIMA Letter II”).

methodologies and conventions of service providers. We are also proposing amendments to Questions 32, 33, 35, 36 and 47 to remove instructions that reasonable estimates used to report indirect exposures, and that indirectly held entity positions in a sub-asset class and instrument type, must “best represent” the exposure of the entity⁵⁴ or the sub-asset class exposure of the indirectly held entity.⁵⁵ The prescriptive look-through requirement in General Instructions 7 and 8 as well as the “best represent” standard in the specific questions’ instructions for reporting indirect exposures would create burdens for advisers to conduct look-through for assessing indirect exposures even though they may reasonably and more efficiently estimate such indirect exposures in their own portfolio and risk management processes. The proposed changes are intended to provide advisers the ability to rely on reasonable estimates to report indirect exposures, provided they are consistent with their internal methodologies and the conventions of service providers.⁵⁶ For example, with respect to a reporting fund’s investment in a gold ETF, the proposed changes would allow advisers to estimate the reporting fund’s exposure through an ETF more broadly (e.g., “gold commodities” sub-asset class) to the extent consistent with their own portfolio and risk management processes.

Relatedly, the Commissions propose conforming amendments to align other parts of the form with the proposed General Instructions 7 and 8. The proposed changes would include conforming amendments to Question 32 and Question 47 to remove certain references to indirectly held “positions.”⁵⁷

The Commissions also propose to revise definitions of certain asset classes in the Form PF’s Glossary of Terms to explicitly subject those definitions to proposed General Instructions 7 and 8.⁵⁸ As part of the 2024 amendments, Form PF defined these asset classes also requiring the reporting fund to look

through to indirect exposures to such assets held through another entity. The proposed definitional changes are intended to allow advisers, consistent with General Instructions 7 and 8, to use their reasonable estimates that are consistent with the adviser’s internal methodologies and conventions of service providers for such indirect exposures. These proposed changes would also help to resolve any inconsistencies between the instructions in the definitions of these terms and General Instructions 7 and 8.

Furthermore, the Commissions propose to make a conforming change to the definition of “reference asset” in the Form PF Glossary of Terms by removing the phrase “and do not conflict with any instructions or guidance relating to this Form,” which would be unnecessary with the proposed changes to General Instructions 7 and 8 that would allow for the use of reasonable estimates consistent with internal methodologies to report indirect exposures.⁵⁹

Although the proposed changes to General Instructions 7 and 8 (and related conforming changes) would lead to more filers using their internal practices to report indirect exposures and to do so less precisely, thus potentially reducing the level of specificity and comparability of indirect exposures through fund or entity holdings reported by advisers on Form PF,⁶⁰ we anticipate that these changes would not undermine FSOC’s systemic risk assessment and the Commission’s investor protection efforts. Based on input received from filers, we understand that the operational challenges posed by the strict look-through requirement, such as lack of the advisers’ control of or access to granular position data of underlying fund or entity investments from third party entities or third party data that comports with the reporting requirements of Form PF, would likely, in practice, result in advisers having to rely on internal assumptions to comply with Form PF’s requirements. As such, the prescriptive

look-through requirements in General Instructions 7 and 8 would likely not achieve the intended outcome, making any greater granularity and comparability unjustified in light of the apparent significant filing burdens on advisers.⁶¹ Our proposal, however, would retain questions mandating the reporting of indirect exposures and thus preserve the objective of the 2024 amendments to address issues of data quality and comparability that had resulted from some advisers providing indirect exposures while others did not.

Moreover, the proposed changes would preserve FSOC’s ability to assess systemic risk and the Commissions’ ability to protect investors by collecting data based on advisers’ portfolio risk management processes, which themselves are designed to capture material risk exposures from investments.

We request comment on the proposed changes to General Instructions 7 and 8, the definitions of certain asset classes in the Form PF Glossary of Terms, and other conforming changes:

19. Would the proposed changes to General Instructions 7 and 8, the definitions of asset classes including “reference asset,” and other conforming changes sufficiently alleviate burdens on private fund advisers?

20. Would the proposed changes to General Instructions 7 and 8 and the definitions of asset classes including “reference asset” result in the collection of information about the reporting fund’s indirect exposure necessary and appropriate for investor protection and the assessment of systemic risk?

21. Should the “look through” requirement for certain, or all, questions be eliminated entirely, as proposed, and allow advisers to instead rely on reasonable estimates that are consistent with their internal methodologies and conventions of service providers? If not, why not?

22. Are certain questions easy to “look through” funds, entities and investments than others? If so, which ones and why?

23. Are there certain types of funds or entities that are easy to “look through”? If so, which ones and why?

24. Are there certain types of reference assets that are easy to report on a “look through” basis? If so, which ones and why?

25. Should the form require a “look through” for certain, or all, types of funds, entities or reference assets? If so, which ones and why?

⁵⁴ See proposed Questions of 33, 35, 36, and 47 of Form PF.

⁵⁵ See proposed Question 32 of Form PF.

⁵⁶ See *infra* section III.C.5 for further discussion of the anticipated cost savings to advisers that would result from the proposed changes to General Instructions 7 and 8.

⁵⁷ See proposed Question 32 and Question 47 of Form PF.

⁵⁸ See proposed Form PF Glossary of Terms (definitions of “agency securities,” “commodities,” “convertible bonds,” “corporate bonds,” “GSE bonds,” “leveraged loans,” “listed equity,” “other commodities,” “sovereign bonds,” “unlisted equity,” and “US treasury securities”).

⁵⁹ See proposed Form PF Glossary of Terms (definition of “reference asset”). The Commissions also propose to revise the definition of “reference asset” to add “e.g.,” in front of “through direct ownership (i.e., a physical or cash position), synthetically (i.e., the subject of a derivative or similar instrument held by the reporting fund), or indirect ownership (e.g., through ETFs, other exchange traded products, U.S. registered investment companies, non-U.S. registered investment companies, internal private funds, external private funds, commodity pools, or other companies, fund or entities)” in order to help filers understand that these are examples, not a prescriptive nor comprehensive list, of ways a reporting fund may have exposure to a reference asset.

⁶⁰ See *id.*

⁶¹ See *id.*

E. Trading Vehicles

The Commissions propose to amend Question 9 under section 1b of the Form PF to reduce the scope of trading vehicles that advisers must specifically identify. The proposed new scope focuses solely on trading vehicles that face counterparties and creditors or are reported on Form ADV as a private fund. This proposed change is intended to reduce the burdens on advisers with respect to identifying trading vehicles while still supporting the need for the Commissions and FSOC to understand the reporting fund's use of trading vehicles relevant to identifying systemic risk and investor protection efforts.⁶²

Before the 2024 amendments, Form PF did not require advisers to identify trading vehicles, even though private funds often use trading vehicles to trade, incur leverage, and bear counterparty and credit exposures as part of their investment strategy.⁶³ In 2024, the Commissions adopted amendments to section 1b to obtain a clear view of the reporting fund's use of trading vehicles in this manner and therefore to enhance FSOC's ability to monitor systemic risk and the Commissions' ability to protect investors by better assessing the scope of the reporting fund's position sizes and counterparty exposures that are attributable to the trading vehicle and identifying areas in need of outreach, examination or investigation. The broad definition of "trading vehicle" in the final form was intended to ensure that such trading vehicles were captured,⁶⁴ and Question 9 was designed to obtain identifying information about any trading vehicle used by the reporting fund that met this definition.⁶⁵

Since the adoption of the 2024 amendments, filers have highlighted the broad scope of trading vehicles that would need to be identified on the form and the significance of the burden on advisers of having to meet this

requirement.⁶⁶ Private funds may use trading vehicles for a wide variety of purposes other than trading and bearing counterparty exposure. Consequently, the broad definition of "trading vehicle," which includes an entity that "holds assets" and conducts "other activities" as part of the reporting fund's investment activities, potentially captures passive entities (e.g., tax blockers, liability blockers, aggregator vehicles used to consolidate investments from investors in private funds, passive holding companies formed to hold portfolio investments) that are commonly used by private funds for structuring, tax and/or other operational efficiencies. Many of these passive entities, however, may not otherwise actively trade nor engage in other activities directly related to the fund's counterparty or credit exposures in a manner that creates interconnectedness of the trading vehicle to the broader financial services industry, a critical part of systemic risk assessment and investor protection efforts. Some filers have expressed concern that under the current "trading vehicle" definition, they would have to report hundreds of entities in certain private fund structures, imposing significant burdens on those advisers.⁶⁷

After considering the scope of trading vehicles that must be reported under Question 9 in light of systemic risk assessment and investor protection efforts, as well as the significance of the burdens on advisers raised by the current instructions, we propose to reduce the scope of trading vehicles that must be reported under Question 9 to focus on trading vehicles that face counterparties and creditors or are reported on Form ADV as a private fund.

Specifically, the proposed changes to Question 9 would limit trading vehicles that must be identified by name and legal entity identifier ("LEI"), if any, to those that are (i) listed or required to be listed on Section 7.B. of Schedule D of the adviser's or another adviser's Form ADV,⁶⁸ or (ii) included or required to be included in a response to Questions 27, 28, 42, 43, or 44 of the Form PF.⁶⁹

⁶⁶ See, e.g., Comment Letter of Investment Adviser Association (May 1, 2025), available at <https://www.investmentadviser.org/wp-content/uploads/2025/05/IAA-Letter-to-SEC-Chairman-Atkins-5.1.25.pdf?i=6813b4b033567> ("IAA Letter").

⁶⁷ See, e.g., IAA Letter.

⁶⁸ Because trading vehicles may be partially owned by the filing adviser with another adviser, the proposed changes would require the identification of any partially-owned trading vehicles reported on another adviser's Form ADV.

⁶⁹ Questions 27 and 28 of Form PF must be completed separately for each hedge fund that an adviser advises. Questions 42, 43, and 44 must be

which require advisers to identify the relevant party (including any trading vehicles) that bears counterparty and credit exposures.⁷⁰

The proposed changes would entail a conforming amendment to General Instruction 7 with the same instruction limiting the scope of trading vehicles that must be identified in response to Question 9 to those that are listed on the adviser's Form ADV or in response to Questions 27, 28, 42, 43 or 44. As discussed above, the broad definition of "trading vehicle" may cover passive entities commonly used in private fund structures but do not directly interact with the market in a manner that may pose systemic risk such as by trading, taking on leverage, or bearing counterparty and credit exposures. Furthermore, as emphasized by some filers, the burden on advisers of having to identify each passive entity in the reporting fund's structure that meets the broad definition of "trading vehicle" may be significant.

Although the current instructions would have provided a more comprehensive visibility into the wide variety of ways trading vehicles are incorporated into private fund structures, they would have primarily captured passive trading vehicles, and reducing the scope of trading vehicles would not materially affect the Commissions' and FSOC's systemic risk oversight and investor protection efforts. The proposed changes to Question 9 would reduce the scope of trading vehicles that advisers must identify to those that are more directly relevant and meaningful to the Commissions' and FSOC's oversight and investor protection efforts. Section 7.B. of Schedule D of Form ADV requests important information about the private funds managed by advisers but does not specify whether the private funds

completed separately by large hedge fund advisers for each qualifying hedge fund that they advise. These questions require the adviser to identify significant creditors or counterparties to which a fund is exposed. For example, Question 42 requires the adviser to identify and provide information about each creditor or other counterparty to which the reporting qualifying hedge fund owed an amount in respect of cash borrowing entries which is equal to or greater than either (1) 5 percent of net asset value or (2) \$1 billion. The proposed amendments would modify Questions 42 and 43. See *infra* section I.L. Amended Questions 42 and 43 would still require advisers to identify significant creditors or counterparties to which a fund is exposed. See *infra* section III.C.6.

⁷⁰ The proposed change would not impact General Instructions 7 and 8 that direct advisers to look through trading vehicles and to their holdings when responding to certain questions (e.g., Question 26, which requires advisers to provide consolidated counterparty exposures of the reporting fund aggregated across all creditors and counterparties).

⁶² See *infra* section III.C.6 for a detailed discussion of the benefits and costs of the proposed change to Question 9 of Form PF.

⁶³ See 2024 Form PF Adopting Release at section II.A.2 (discussing the various ways private funds may use trading vehicles for their investment activities).

⁶⁴ A trading vehicle is defined as a separate legal entity, wholly or partially owned by one or more reporting funds, that holds assets, incurs leverage, or conducts trading or other activities as part of a reporting fund's investment activities but does not operate a business. See Form PF Glossary of Terms (definition of "trading vehicle").

⁶⁵ See current Question 9 of Form PF. Questions 9(d) through (f) ask the reporting fund to identify the vehicle's activities that results in it being a "trading vehicle," as defined in the Form PF Glossary of Terms.

reported therein are trading vehicles. The proposed changes would therefore facilitate our staff's ability to identify trading vehicles reported on Form ADV and the scope of trading vehicles' potential effects on systemic risk and investor protection.

Furthermore, the revised Question 9 would require advisers to identify those trading vehicles that they have included in response to questions on the form that address how the reporting fund uses trading vehicles to bear counterparty and credit exposures (Questions 27, 28, 42, 43, or 44). Hence, any trading vehicle that incurs leverage or conducts trading or other activities as part of a hedge fund's investment activities resulting in significant exposure to creditors or counterparties is currently identified by advisers in those questions and would therefore continue to be included in Question 9 under the proposed change.

Trading vehicles included in response to these questions (which may overlap with those reported on Form ADV) would provide the Commissions and FSOC with transparency into the reporting fund's risk profile and interconnectedness of private funds with the broader financial services industry. Moreover, although we propose to limit the scope of trading vehicles that must be specifically identified, General Instructions 7 and 8 would continue to require advisers to look through certain trading vehicles and to their specific holdings, which would capture their counterparty and creditor exposures.⁷¹ These proposed changes would therefore not have a significant effect on the Commissions' and FSOC's ability to assess relevant information for purposes of their risk assessment and investor protection efforts, as the form would continue to obtain relevant information about operationally active trading vehicles that do engage in activities that could impact the broader financial services industry.⁷²

We request comment on the proposed changes to Question 9 of Section 1b:

26. Would the proposed changes to Question 9 sufficiently alleviate burdens on private fund advisers?

27. Do you agree that the current definition of "trading vehicle" covers entities that do not directly interact with the market in a manner that may pose systemic risk such as by trading, taking on leverage, or bearing counterparty and

credit exposures? Would the proposed changes to Question 9 result in the collection of information about trading vehicles necessary and appropriate in the public interest and for the protection of investors, or for the assessment of systemic risk?

28. Would the proposed changes to Question 9 result in certain trading vehicles that are necessary to assess systemic risk not being identified in the form? Should such trading vehicles continue to be identified in the form? If so, which ones?

29. Should we instead amend Form PF so that private fund advisers are not required to identify any trading vehicles? Is the identification of trading vehicles relevant to the assessment of systemic risk? Why or why not?

F. Eliminate Form PF Question 23(c) Volatility Reporting

The Commissions propose to eliminate Question 23(c) in its entirety for all private fund filers.⁷³ Question 23(c) requires private funds to report additional performance-related information if the adviser calculates a market value on a daily basis for any position in the reporting fund's portfolio. Such information includes: (1) the "reporting fund aggregate calculated value" at the end of the reporting period; (2) the reporting fund's volatility of the natural log of the "daily rate-of-return" for each month of the reporting period; (3) whether the daily return rates are reported to current or prospective investors; and (4) whether the reporting fund had one or more days with a negative daily rate of return during the reporting period and related information.

We added Question 23(c) in the 2024 amendments to allow the Commissions and FSOC to compare return volatility more accurately across different private fund types to identify market trends, for systemic risk assessment, and for investor protection efforts.⁷⁴ This measure quantifies the degree to which a portfolio's logarithmic returns fluctuate around their average, with higher values indicating greater risk of large gains or losses and uncertainty in an investment's value.

However, during implementation of this new question, it is our understanding that numerous advisers encountered challenges and significant costs in preparing to respond to this question. Some advisers calculate this

information in the ordinary course of their business for certain funds but not all private funds, or only at the level of the master fund. Other advisers use an internal methodology that does not necessarily align with what we ask under Question 23(c), so they have had to design complicated and bespoke calculations based on approximations of the same data points. Industry members have further pointed out that there are many investing strategies involving less liquid or illiquid assets that have less volatility and could mute or otherwise skew volatility data, so capturing intra-month volatility about them is less valuable but more burdensome, even if they can be reported.

We now propose to delete Question 23(c). Based on our review, the data captured by other questions in the form can assist in contextualizing performance-related volatility, such as the monthly performance reporting in Question 23(a) and (b) or extraordinary losses reported in current reports.⁷⁵ Although deleting Question 23(c) would result in less detailed performance-related volatility information, such that the Commissions and FSOC may lose insight into significant performance volatility swings occurring on an intra-month basis, intra-month performance-related data for less liquid or illiquid investment strategies can have limited utility when evaluating performance volatility.⁷⁶ Further, we understand that funds are making assumptions in calculating this information, which undermines its comparability.

Given the burdens associated with calculating this information, and that information related to performance-related volatility can be gathered from other existing parts of the form, we propose to eliminate Question 23(c) from Form PF.

We request comment on the proposed removal of Question 23(c):

30. Should the Commissions eliminate Question 23(c)? Why or why not?

31. Would the proposed deletion of Question 23(c) impede our ability to appropriately collect information necessary and appropriate in the public interest and for the protection of investors, or for the assessment of systemic risk? Why or why not?

32. Alternatively, should we move Question 23(c) to section 2? Is it important to capture this information regarding qualifying hedge funds? Why

⁷¹ See proposed General Instructions 7 and 8 of Form PF.

⁷² See *infra* section III.C.6 for a more detailed discussion of benefits and costs of the proposed changes to Question 9.

⁷³ See Form PF section 1(b), Item C, Question 23(c)(i), (ii), (iii), and (iv) ("Question 23(c)"). We also propose to remove any other references to Question 23(c) throughout the form.

⁷⁴ See 2024 Form PF Adopting Release at section II.B.2.

⁷⁵ See Form PF section 5, Item B and Form PF Glossary of Terms (definitions of "holding period return" and "daily rate-of-return").

⁷⁶ See *infra* section III.C.7 for a more detailed discussion of benefits and costs of eliminating Question 23(c).

or why not? Do you agree that data captured by other questions in the form can assist in contextualizing performance-related volatility?

33. Do advisers calculate a daily market value for certain fund portfolios or strategies? If yes, is it an estimated market value?

34. Do advisers calculate the volatility of the natural log of the daily rate-of-return for a reporting fund, computed as the standard deviation of the natural log of one plus each of the daily rates-of-return, on either a monthly or quarterly basis? If not, what are the challenges encountered by advisers in calculating this information for a reporting fund?

35. Is it easier to track this information for certain types of funds or fund strategies compared to others?

36. Would removing Question 23(c) sufficiently alleviate burdens on private fund advisers?

37. Alternatively, should we move Question 23(c) to section 2 so that only large hedge fund advisers must complete it? Why or why not?

G. Eliminate Certain Trading and Clearing Reporting

We propose to eliminate certain trading and clearing reporting. Specifically, we propose to eliminate the requirements to report the value of positions at the end of the reporting period in Question 29(ii) and Question 30(b). Currently, all filers that advise hedge funds must report how they use trading and clearing mechanisms in Questions 29 and 30 for each hedge fund they advise, including the value of their reporting fund's positions at the end of the reporting period. The Commissions adopted this requirement in an effort to provide the Commissions and FSOC with data that can be more efficiently compared and aggregated among advisers and other data sources.⁷⁷ However, filers have expressed concern that they do not otherwise calculate the value of positions at the end of the reporting period by trading mode for each position using the calculations Form PF requires, and it is burdensome to track, calculate, and report such data solely for purposes of Questions 29(ii) and 30(b). If we remove Questions 29(ii) and 30(b), Questions 29 and 30, nonetheless, would continue to require all filers to report the value the reporting fund traded during the reporting period, specified by instrument category and trading mode, which should be sufficient for purposes of evaluating use of trading and clearing mechanisms

across hedge fund advisers. Furthermore, FSOC and the Commissions could infer the value of the positions at the end of the reporting period requested in Questions 29(ii) and 30(b) from Question 32. For example, Question 32(a) requires reporting of various sub-asset classes related to listed and unlisted equity which gives FSOC and the Commissions an indication as to whether the securities were traded on an exchange or over the counter. Accordingly, we are proposing to remove the requirements to report the value of positions at the end of the reporting period in Question 29(ii) and Question 30(b) because we are concerned that the data aggregation and comparison benefits of this reporting may not be justified by the burdens.⁷⁸

The Commissions also propose to remove erroneous and unnecessary instructions in Questions 29. The current instructions in Question 29 provide that the "value traded" for certain instruments is the total value, but then erroneously require filers to calculate the total value by using a weighted average. We propose to remove this instruction, which would remove the error.⁷⁹ With this correction, the specific instructions about how to calculate value traded for proposed Questions 29 and 30 would be unnecessary because General Instruction 15 and the table would sufficiently instruct advisers on how to report the value traded. Therefore, this proposed change would simplify the form, by not repeating the instructions. We also propose to remove the specific instructions for column (ii). These instructions would be no longer relevant because we propose to remove column (ii).

We request comment on the proposal to revise Questions 29 and 30:

38. Should we revise Questions 29 and 30, as proposed?

39. Should we eliminate the requirement for advisers to report the value of positions at the end of the reporting period in Questions 29 and 30, as proposed? Do you agree that the information reported in other requirements in Questions 29 and 30 is sufficient to analyze data on trading and clearing mechanisms?

40. Do you agree with our characterization of the benefits and burdens that Questions 29 and 30 present? Are there more, less, or additional types of benefits or burdens? Please quantify the burdens.

⁷⁸ See also *infra* section III.C.8 for a more detailed discussion of benefits and costs of the proposal to revise Questions 29 and 30.

⁷⁹ Proposed Question 29.

41. Should we remove the specific instructions for calculating "value traded," as proposed? Does General Instruction 15 and the table itself sufficiently instruct filers about how to report value traded? Is there a clearer way to instruct filers about how to calculate value traded? Or is there a more appropriate calculation that the instructions should use? For example, should the instructions to Question 29 direct filers to use the gross notional values for options and interest rate derivatives in addition to other derivatives, rather than the calculations that General Instruction 15 specifies?

42. Is there a clearer way to instruct filers about how to categorize each trade into the value traded column? For example, if a bond is traded through a registered alternative trading system, should that be included in the regulated exchange category or over the counter?

H. Eliminate Form PF Question 32(b)(2) Adjusted Exposure Reporting Based on Internal Methodology

The Commissions propose to eliminate Question 32(b)(2) for large hedge fund advisers.⁸⁰ The Commissions added Question 32(b) to Form PF in 2024 to require advisers to report the adjusted exposure of long and short positions for each sub-asset class in which a fund has a reportable position.⁸¹ At that time, the Commissions explained that gross exposure reporting by itself presents an incomplete picture that poses a significant data gap for systemic risk analysis. Question 32(b) requires large hedge fund advisers to report adjusted exposures in two ways. In Question 32(b)(1), advisers have to calculate and report adjusted exposure of long and short positions for each sub-asset class by netting positions that have the same underlying reference asset across instrument type and, for fixed income positions, within the same term using the following maturity buckets: 0–1 year, 1–2 years, 2–5 years, 5–10 years, 10–15 years, 15–20 years, and 20+ years.

In Question 32(b)(2), if, under its methodologies for internal reporting and reporting to investors, an adviser does not net all positions across all instrument types in monitoring the economic exposure of the reporting fund's investment positions, then the adviser must report adjusted exposure based on its internal methodology; the adviser must also describe in Question 4 how its internal methodology differs

⁸⁰ See Form PF section 2, Item B, Question 32(b)(2). We also propose to remove any other references to Question 32(b)(2) throughout the form.

⁸¹ See 2024 Form PF Adopting Release at section II.C.2.a.

⁷⁷ 2024 Form PF Adopting Release at n.249 and accompanying text.

from the calculations required in Question 32(b)(1). At the time, the Commissions explained that this additional information in Question 32(b)(2) would provide better insight into how these advisers assess the economic exposure of their reporting fund's portfolio, while still ensuring an adviser provides information that supports the Commissions' and FSOC's ability to aggregate and compare the data across funds.⁸²

After the adoption of the 2024 amendments, filers raised concerns that Question 32(b)(2) is substantially duplicative of Question 32(b)(1) and therefore unnecessarily burdensome to produce. They stated that these two sub-questions require them to calculate and report adjusted exposure for each sub-asset class in which the fund holds positions twice with non-meaningful differences in risk information conveyed.

Upon review, we agree that Question 32(b)(2), given its similarity to what funds will likely report under Question 32(b)(1), does not appear sufficiently necessary to justify the burdens associated with this additional reporting. While adjusted exposure reporting continues to be important for FSOC's assessment of systemic risk, eliminating Question 32(b)(2) in consideration of the concerns raised by filers, as proposed, would help further alleviate burdens on large hedge fund filers by removing duplicative reporting that does not materially build upon the quality or usefulness of data already received from Question 32(b)(1).⁸³

Relatedly, we propose to delete the word "counterparties" from the last sentence in Question 32(b)(1). This instructional sentence provides that, in reporting adjusted exposure under Question 32(b)(1), the fund may net counterparties consistent with the information it reports internally and to current and prospective investors. Based on discussions with filers, we understand that the inclusion of "counterparties" in this sentence has created confusion because netting in this section is intended to be associated with exposures rather than limiting netting specifically to counterparties. Moreover, combined with the elimination of Question 32(b)(2), this deletion would be a conforming change to simplify the adjusted exposure calculations.

We request comment on the proposal to eliminate Question 32(b)(2):

43. Should the Commissions eliminate Question 32(b)(2)? Why or why not?

44. Would the proposed deletion of Question 32(b)(2) impede our ability to appropriately collect information about adjusted exposure in qualifying hedge funds necessary and appropriate in the public interest and for the protection of investors, or for the assessment of systemic risk? Why or why not?

45. Would removing Question 32(b)(2) meaningfully alleviate burdens on large hedge fund advisers?

46. If Question 32(b)(2) is retained, should it be modified? If so, how?

47. Should the format of Question 32(b)(1) (and Question 32(b)(2) if it is retained) be revised for clarity (for example, by using charts instead of sentences, or putting instructions and responses in different colors like the PQR form)?

I. Eliminate Form PF Question 34 Monthly Asset Turnover Reporting

The Commissions propose to eliminate Question 34 for large hedge fund advisers.⁸⁴ Question 34 requires advisers to report the value of turnover in certain asset classes (including listed equities, corporate bonds, sovereign bonds, as well as various types of derivatives and consolidated foreign exchange and currency swaps) in their hedge funds' portfolios for each month during the quarterly reporting period.

The Commissions included this question on the original 2011 Form PF (then Question 27) to provide an indication of a large hedge fund adviser's frequency of trading in particular asset class markets and the amount of liquidity hedge funds contribute to those markets.⁸⁵ We then amended Question 34 in 2024 in two ways. First, in connection with the move to disaggregate reporting, we required reporting turnover on a per fund basis explaining that this change would provide more detailed information to the Commissions and FSOC while simplifying reporting because advisers do not generally aggregate turnover-related information among funds.⁸⁶ Second, we added new categories to better capture turnover of potentially relevant securities. We referenced how, during the March 2020 COVID-19-related market turmoil, we were unable to obtain a complete picture of market activity relating to

treasuries and treasury futures given that turnover reporting was highly aggregated across funds.

While the turnover of specific asset classes can be helpful to identify the frequency of hedge fund trading activity in those asset classes, we have observed from our review that turnover data can be an imprecise signal of systemic risk or market turmoil.⁸⁷ Asset turnover might simply reflect that many large hedge funds make frequent trades as part of an investment strategy rather than suggesting issues in a given market. Conversely, a reduction in asset turnover could reflect a strategy responding to normal market conditions as opposed to an episode of stress in a market where a reduction in liquidity constrains a fund's trading. Additionally, ensuing discussions with industry members have revealed unanticipatedly high burdens in monitoring and producing the data to complete Question 34. For example, because a large hedge fund can complete upwards of ten thousand trades in a single day, tracking so many transactions and breaking them down on a per-fund basis is time- and labor-intensive.

Furthermore, we are also able to approximate the data collected in Question 34 based on filers' responses to other questions, such as the asset class exposure table in Question 32, which while not providing the frequency of trading in particular asset class markets, does provide the size of their exposures in those markets, combined with the information about investment strategies reported in Question 25,⁸⁸ as some hedge fund strategies inherently involve higher trading activity. In addition, certain information relating to trading activity is still provided in Question 29.⁸⁹

Therefore, removing Question 34 should reduce the burdens for filers while the Commissions can rely on other questions for information relating to hedge funds with significant exposures in various asset classes where there may be significant trading and liquidity provision.

We request comment on the proposal to eliminate Question 34:

48. Should the Commissions eliminate Question 34 on monthly asset turnover information? Why or why not?

49. Would the proposed deletion of Question 34 impede our ability to

⁸² See *id.*

⁸³ See *infra* section III.C.9 for a more detailed discussion of benefits and costs of eliminating Question 32(b)(2).

⁸⁴ See Form PF section 2, Item B, Question 34. We also propose to remove any other references to Question 34 throughout the form.

⁸⁵ See 2011 Form PF Adopting Release at section II.C.2.a.

⁸⁶ See 2024 Form PF Adopting Release at section II.C.2.d.

⁸⁷ See *infra* section III.C.10 for a more detailed discussion of benefits and costs of eliminating Question 34.

⁸⁸ See Form PF section 1c, Item B, Question 25.

⁸⁹ Question 29 (as proposed) would still require reporting about the volume of transactions for certain asset classes during intra-quarter periods.

collect information necessary and appropriate in the public interest and for the protection of investors, or for the assessment of systemic risk? Why or why not?

50. Would removing Question 34 meaningfully alleviate burdens on large hedge fund advisers?

51. Do you agree that information from Questions 25, 29, and 32 would help FSOC assess and monitor turnover or trading activity and liquidity provision of qualifying hedge funds for systemic risk implications? Are there any other alternative ways?

J. Simplify Industry Concentration Reporting in Form PF Question 36

The Commissions propose to amend Form PF Question 36 by permitting filers to report at a simpler level of classification within the NAICS code system.⁹⁰ Form PF Question 36 requires filers to report the relevant industry exposures of their reporting funds using NAICS codes. The Commissions added Question 36 in 2024 to “allow for identification of industry concentrations and help assess the potential impact of market events on industries.”⁹¹ NAICS codes are used to describe a company’s primary business activity and principal source of revenue and generally can be specified up to six digits. The full set of NAICS code options is free to access online. However, some investment instruments may not have codes readily available, as discussed below. NAICS codes are often the standard used by certain Federal agencies for classifying entities by industry.⁹² Currently filers responding to Question 36 are required to report at the six-digit level, national industry, NAICS code.

The purpose of requiring advisers to respond to this question based on the NAICS codes is to provide insight into hedge funds’ industry exposures in a standardized way to allow for comparability among funds and meaningful aggregation of data to assess overall industry-specific concentrations. In adopting this question, we stated that NAICS codes would be useful for monitoring systemic risk, particularly if multiple funds have significant concentrations in industries that are

experiencing periods of stress or disruption.⁹³

However, through subsequent discussions with industry members, we have come to understand certain difficulties in reporting the NAICS codes, particularly at the six-digit national industry level. The industry generally does not use NAICS codes for reporting industry concentration to investors or counterparties. In addition, certain instruments, including foreign instruments, do not have a NAICS code. We heard from multiple industry members who more commonly use the Bloomberg Industry Classification Standard (“BICS”) or Global Industry Classification Standard (“GICS”), though the BICS and GICS codes are not publicly available and involve license fees and other costs and expenses to access them. As a result, in order to comply with the NAICS code requirement, advisers would need to assign a NAICS code to an instrument that does not have one, which generally would require advisers to develop data systems or pay third parties to supply or track this information and could lead to inconsistent reporting across filers. However, Form PF already requires the use of NAICS codes in Questions 81 and 82, so some filers already use NAICS codes. Additionally, we understand that allowing advisers to report NAICS industry codes at less granular levels would reduce burdens for filers because less specific options would result in less time and precision needed to assign a code. For example, this proposed change would significantly streamline filers’ options by allowing them to select from approximately twenty two-digit sector NAICS codes instead of the more than one thousand six-digit national industry codes as currently required. The proposed change would continue to maintain the Commissions’ and FSOC’s ability to gain insight into hedge fund industry exposures, including concentrated exposures, at a level that would facilitate the assessment of systemic risk, while meaningfully reducing reporting burdens for filers.⁹⁴

Therefore, the Commissions propose to amend Question 36 by giving filers the flexibility to choose any level of classification within the NAICS hierarchical code system. We believe that

this change would allow us to continue receiving important industry-specific exposure data while reducing the burdens and costs filers face in responding to this question.

We request comment on the proposed change to the NAICS code reporting requirement:

52. Should the Commissions allow filers to use their preferred specificity of NAICS codes between two and six digits? Why or why not?

53. Would two-digit NAICS codes sufficiently allow FSOC to monitor for industry exposure to systemic risk?

54. Would allowing for additional NAICS code levels sufficiently alleviate burdens on private fund advisers?

55. Is there an alternate classification standard, such as BICS or GICS, that would be easier or less expensive for filers to use in providing this information? Why or why not? If we were to switch to a different classification system, should we also do so for Questions 81 and 82?

56. Should the Commissions create a list of categories from which filers can select their most appropriate industry, similar to how commodity pool operators file Form PQR?⁹⁵ If so, what categories should we use?

57. Is it more difficult to obtain NAICS code information for certain instruments (e.g. broadly syndicated loans) as compared to others? If yes, please describe.

58. Should this question be deleted entirely? Why or why not?

K. Eliminate Certain Questions Concerning Qualifying Hedge Funds’ Exposures to Reference Assets

We propose to remove Questions 39 and 40, which require large hedge fund advisers to report detailed information about their qualifying hedge funds’ monthly portfolio exposure to reference assets.⁹⁶ To mitigate the impact of losing this data, the SEC proposes to add streamlined exposure reporting to section 5, Item B.

Question 32(b)(1) requires large hedge fund advisers to report, for each qualifying hedge fund they advise except as otherwise instructed, the reporting fund’s exposure to specified sub-asset classes for each month of the reporting period adjusted by netting

⁹⁰ See Form PF Question 36 and Form PF Glossary of Terms. The five NAICS code classification levels are: (1) sector two-digit code, (2) subsector three-digit code, (3) industry group four-digit code, (4) NAICS industry five-digit code, (5) national industry six-digit code.

⁹¹ 2024 Form PF Adopting Release at section II.C.2.d.

⁹² See *id.* (referencing SBA Small Business Size Regulations, 13 CFR 121.101 (2023)).

⁹³ See *id.* SEC staff also published an FAQ attempting to clarify how filers can better respond to this question. See SEC staff Form PF Frequently Asked Questions; Form PF: Question 36 (updated Apr. 4, 2025), available at <https://www.sec.gov/rules-regulations/staff-guidance/division-investment-management-frequently-asked-questions/form-pf-faq>.

⁹⁴ See *infra* section III.C.11 for a more detailed discussion of benefits and costs of simplifying industry concentration reporting in Question 36.

⁹⁵ See, e.g., Pool Quarterly Report for Commodity Pool Operators, Question 11 Pool Schedule of Investments, available at <https://www.nfa.futures.org/electronic-filing-systems/CPO-PQR-Template-Help-Text.pdf>.

⁹⁶ To accommodate this proposed change, we also propose to remove “netted exposure” from the Glossary of Terms because Form PF would no longer use that term without Questions 39 and 40. We also propose to remove any other references to Questions 39 and 40 throughout the form.

positions in the same underlying reference asset across instrument type, among other things. In addition, Question 39 requires large hedge fund advisers to report certain information about their qualifying hedge funds' long and short netted exposure to reference assets at the end of each month in the reporting period. In particular, it requires the following reporting:

(1) the total number of reference assets to which the reporting fund holds long and short netted exposure;

(2) the percent of net asset value represented by the aggregated netted exposures of reference assets with the top five long and short netted exposures; and

(3) the percent of net asset value represented by the aggregate netted exposures of reference assets representing the top ten long and short netted exposures.

Question 40 requires large hedge fund advisers to report certain detailed information about their qualifying hedge funds' monthly gross exposure, among other things, to reference assets that equal or exceed any of the following thresholds:⁹⁷

(1) One percent of the net asset value, if the reference asset is a debt security and the fund's gross exposure to it exceeds 20 percent of the size of the overall debt security issuance;

(2) One percent of the net asset value, if the reference asset is a listed equity and the fund's gross exposure to it exceeds 20 percent of average daily trading volume measured over 90 days preceding the reporting date; or

(3) Either five percent of the fund's net asset value or \$1 billion.

The Commissions adopted Question 39 to provide a holistic view of a reporting fund's portfolio concentration and provide insight into the extent of a reporting fund's portfolio concentration and large exposures to any reference

assets.⁹⁸ The Commissions adopted Question 40 to improve their ability to assess the magnitude of hedge fund portfolio concentration, as well as to identify directional exposure. The Commissions also stated that Question 40 was designed to allow the Commissions and FSOC to link the information reported in Question 40 to exposure reporting in Question 32, which is designed to give the reported data added context and facilitate understanding of a fund's investment portfolio and assessment of any implications for systemic risk and investor protection purposes. The Commissions stated that the combination of information reported in Question 32 and Question 40 is designed to, among other things, provide better insight into a qualifying hedge fund's investment approach and whether it is taking on concentrated positions, potentially with leverage, and assess whether or not a qualifying hedge fund's activities may have systemic risk or investor protection implications.

Based on filer feedback, however, we are concerned about the burdens associated with collecting the information for Questions 39 and 40. Both Questions 39 and 40 require advisers to use specific methodologies to calculate and report monthly exposures to reference assets, and Question 40 includes three separate reporting thresholds that can be difficult to assess in practice due to the multiple steps embedded in each threshold and multiple data inputs required for each step. Filers have expressed concern that they do not otherwise create and maintain data using the specific calculations set forth in Questions 39 and 40, and it is burdensome to calculate the multiple data points necessary to determine the population of reportable reference assets, and report such data solely for purposes of Form PF. For example, some hedge funds may have dozens of positions that must be analyzed both collectively when calculating the thresholds and separately if the reference asset is reportable under Questions 40. Specifically, the first and second threshold require multiple calculations for a potentially significant number of positions and the calculations require inputs such as total issuance size and an average daily trading volume metric that may not be tracked or collected in the ordinary course of the filer's management of the portfolio. We are also concerned that these calculation

challenges could create reliability and comparability challenges that could undermine the utility of the data.

Questions 39 and 40 were intended to provide a holistic view of a reporting fund's portfolio concentration based on commonly used industry metrics for assessing portfolio concentration levels.⁹⁹ However, other data reported on the form, combined with the SEC's proposed enhanced current reporting, should sufficiently allow the Commissions and FSOC to assess portfolio concentration in furtherance of systemic risk assessment and investor protection efforts, as applicable. We will still receive information through responses to Question 32 on adjusted investment exposures netted across instrument type representing the same reference asset by sub-asset class, which provides information on concentrated exposures.

In addition, the SEC proposes to add an additional reporting field to section 5, Item B, which requires large hedge funds to file a current report no later than 72 hours after their qualifying hedge fund experiences an extraordinary investment loss.¹⁰⁰ Under the SEC's proposal, if a large hedge fund adviser files such a current report, it would be required to describe the largest exposure contributing to the reported loss, including the dollar amount and certain identifying information.¹⁰¹ This proposed change is tailored to help ensure Form PF collects sufficient information to assess systemic risk and further investor protection efforts related to qualifying hedge funds' concentrated portfolio exposures without the significant burdens associated with completing Questions 39 and 40.¹⁰² Therefore, Questions 32, along with proposed section 5, Item B, should help ensure Form PF collects information sufficient to assess systemic risk of exposures and further investor protection efforts.

We request comment on the proposal to remove Questions 39 and 40, and the SEC requests comment on the proposal

⁹⁷ Large hedge fund advisers must report the following: (1) the dollar value (in U.S. dollars) of all long positions with legal and contractual rights that provide exposure to the reference asset; (2) the dollar value (in U.S. dollars) of all short positions with legal and contractual rights that provide exposure to the reference asset; (3) the netted exposure to the reference asset (as defined by current Question 39 Instructions); (4) the sub-asset class and instrument type; (5) the title or description of the reference asset; (6) the reference asset issuer (if any) name and LEI; (7) the CUSIP (if any), and at least one of the following other identifiers: ISIN, Ticker if ISIN is not available, other unique identifier (if ticker and ISIN are not available); (8) for reference assets with no CUSIP or other identifier, advisers must describe the reference asset; (9) if the reference asset is a debt security, size of issue; (10) if the reference asset is a listed equity, average daily trading volume, measured over 90 days preceding the reporting date; and (11) the FIGI (optional).

⁹⁸ See generally 2024 Form PF Adopting Release at section II.C.2.a for a discussion of why the Commissions adopted Questions 39 and 40.

⁹⁹ See 2024 Form PF Adopting Release at n.329 and accompanying text.

¹⁰⁰ See proposed section 5, Item B. In connection with this proposed change, the SEC proposes to redesignate Questions 5–4 through 5–7 to accommodate the additional reporting field.

¹⁰¹ Identifying information would include a subset of information that advisers would have reported in Question 40, including the sub-asset class, instrument type, title or description of the asset, issuer name, LEI (if any), CUSIP (if any), if no CUSIP, then at least one of the following other identifiers: ISIN, Ticker if ISIN is not available, other unique identifier.

¹⁰² See also *infra* section III.C.12 for a more detailed discussion of benefits and costs of these proposed amendments.

to add the proposed requirement to section 5, Item B:

59. Should we remove Questions 39 and 40, as proposed?

60. Do you agree with our characterization of the benefits and burdens that Questions 39 and 40 present? Are there more, less, or additional types of benefits or burdens? Please quantify the benefits and burdens.

61. Instead, should we keep either Question 39 or 40, but revise them to make them less burdensome? For example, should we keep Question 40, but simplify or raise the reporting thresholds? Please provide example language. Should we reduce the reporting frequency from monthly to quarterly?

62. Is there an alternative way to collect information on concentration at the portfolio level and market level? Which is more important for systemic risk assessment? Is there an alternative way to collect information on position-level exposures to reference assets that would aid FSOC in assessing systemic risk and the SEC's investor protection efforts, but would be less burdensome than Questions 39 and 40, and better than our proposed approach of relying on adjusted exposure information reported under Question 32 combined with current reporting with the proposed revision to extraordinary investment loss event question?

63. Should the SEC add a requirement to the current report in section 5, Item B, as proposed? If the Commissions do not eliminate Questions 39 or 40, should the SEC nonetheless adopt the proposed requirements in section 5, Item B? Should the SEC add more or modify any proposed requirements to the current report in section 5, Item B?

64. Do you agree that proposed section 5, Item B, together with Question 32 would provide sufficient information to assess systemic risk of exposures? Would Question 32 alone, without proposed section 5, Item B provide sufficient information to assess systemic risk of exposures? If so, should the Commissions eliminate Questions 39 and 40 without amending section 5, Item B?

L. Simplify Large Hedge Fund Adviser Counterparty Exposure Reporting

The Commissions propose to simplify the reporting on counterparty exposures for large hedge fund advisers.

Specifically, the Commissions propose to remove Question 41 from section 2 and to require advisers to qualifying hedge funds to complete the simpler consolidated counterparty exposure table in Question 26, which all

filers complete for hedge funds they advise, except qualifying hedge funds would provide monthly data points. For more detailed information on counterparty exposures, the Commissions would instead rely on the data filed in response to Questions 42 and 43, which provide information on borrowing arrangements with significant counterparties and creditors of large hedge funds.

To retain important information relating to counterparty exposure for all borrowings to significant counterparties and creditors of qualifying hedge funds, which is relevant to monitoring and assessing systemic risk, the Commissions propose to amend Question 42 to require large hedge fund advisers to report on all borrowings from significant counterparties and creditors of qualifying hedge funds rather than only cash borrowings and to categorize those borrowing entries by type.

Furthermore, the Commissions request comment on ways to alleviate burdens on advisers with respect to netting counterparty exposures in response to certain questions.¹⁰³ Through these actions, the Commissions seek to better balance filing burdens on advisers against the Commissions' and FSOC's need to obtain clear and comparable data regarding hedge funds' use of collateral and credit exposure to counterparties.

The Commissions also propose the following minor revisions to the instructions in Question 42, none of which will substantively change the form: (1) correcting a reference to a column (from column (c) to column (b)) in subsection (b) where the LEI for a counterparty should be provided, and (2) removing a sentence that instructs filers to provide a counterparty's legal name and LEI in subsection (b) in columns (vi) and (vii), which do not exist in subsection (b).

In 2024, the Commissions adopted amendments to Form PF that included the new consolidated counterparty exposure tables, which were designed to collect specific data on hedge funds' borrowing and financing arrangements with central clearing counterparties ("CCPs") and other counterparties.¹⁰⁴ The new tables require advisers to report a hedge fund's borrowing, lending, and similar transactions with creditors and other counterparties by

type of borrowing, lending or transaction (e.g., unsecured, secured borrowing and lending under a prime brokerage agreement, secured borrowing and lending via repo or reverse repo, other secured borrowing and lending, derivatives cleared by a CCP, and uncleared derivatives),¹⁰⁵ and the collateral posted or received by a reporting fund in connection with each type of borrowing, lending or other transaction. The consolidated counterparty tables were designed to enhance the Commissions' and FSOC's understanding of hedge funds' counterparty risk exposure, which is needed for systemic risk assessment because of the potential contagion risks of both the reporting fund and counterparty failure.¹⁰⁶

For hedge funds other than qualifying hedge funds, the consolidated counterparty exposure table in section 1c (Question 26) collects the reporting fund's borrowing and collateral received and lending and posted collateral aggregated across all creditors and counterparties as of the end of the reporting period.¹⁰⁷ Qualifying hedge funds must complete a separate consolidated counterparty exposure table in section 2 (Question 41), which requires additional detail. Specifically, unlike the table in Question 26, the table in Question 41 directs advisers to qualifying hedge funds to classify each type of borrowing by creditor type (i.e., U.S. depository institution, U.S. creditors that are not depository institutions, and non-U.S. creditors) and to provide additional classifications of collateral by type (e.g., by breaking out government securities from other securities, and identifying other types of collateral or credit support (including the face amount of letters of credit and similar third party credit support)).¹⁰⁸ The table in Question 41 also requires reporting of the qualifying hedge fund's aggregated borrowing and collateral received and lending and posted collateral as of the end of each month of its reporting period, as opposed to as of the end of the reporting period required in Question 26 for smaller hedge funds. Furthermore, advisers to

¹⁰⁵ See current Question 26 and Question 41 of Form PF.

¹⁰⁶ See 2024 Form PF Adopting Release at section II.B.3.

¹⁰⁷ See General Instruction 9 of Form PF for applicable reporting periods for large hedge fund advisers and all other advisers. Large hedge fund advisers must update the Form PF within 60 calendar days after the end of each calendar quarter. All other advisers must file annual updates to their Form PF within 120 days after the end of their fiscal year.

¹⁰⁸ See Question 41 of Form PF. See also 2024 Form PF Adopting Release at section II.C.2.b.

¹⁰³ See Question 26, Question 27, Question 28, Question 42 and Question 43 of Form PF.

¹⁰⁴ See Question 26 and Question 41 of Form PF; see generally 2024 Form PF Adopting Release at section II.B.3 and section II.C.2 for a discussion of the Commissions' rationale for the new consolidated counterparty exposure tables.

qualifying hedge funds must report in this table the expected increase in collateral required to be posted by the reporting fund if the margin increases by one percent of position size for each type of borrowing or other transaction.¹⁰⁹ The Commissions adopted this requirement to allow for an assessment of qualifying hedge funds' vulnerability to changes in financing costs and identification of funds that are most sensitive to potential margin changes.¹¹⁰ The requirement was also designed to provide a standardized way to obtain data on funds' vulnerability to margin increases that is easy to scale up for analysis purposes and allows for uniform comparisons across hedge funds to see which funds have lockup agreements and which funds do not.¹¹¹

Since the adoption of the 2024 amendments, filers have highlighted significant challenges associated with completing the new consolidated counterparty exposure tables, particularly the table in Question 41 which requires more granular reporting by collateral type (e.g. government securities, securities and other collateral) for each type of borrowing, lending or transaction (e.g. borrowing via prime brokerage or repo and reverse repo) than Question 26. Several filers voiced concerns that prime brokers report collateral on a pooled basis to funds and do not generally unbundle classifications of collateral by asset type.¹¹² For example, prime brokers may not break out government securities from other types of securities when reporting collateral, as required by Question 41. As such, the operational burdens of providing classifications of collateral for each type of borrowing, lending or transaction may be particularly pronounced for Question 41 because it requires additional unbundling and tracing of collateral in a manner that does not align with the typical practices of prime brokers. Filers also expressed that it is burdensome to report the expected increase in collateral from the one percent margin increase, because it necessitates hundreds or potentially even thousands of calculations. Furthermore, filers emphasized the significant difficulty of interpreting and responding with

granular accuracy to the detailed sub-parts of Question 41.

In responding to these concerns, the Commissions propose to remove Question 41 from section 2 and to instead require qualifying hedge funds to complete the simpler consolidated counterparty exposure table in Question 26. By completing the table in Question 26, large hedge fund advisers to qualifying hedge funds would report each type of collateral based on fewer classifications within each borrowing, lending or transaction type in the consolidated counterparty exposure table.¹¹³ Moreover, qualifying hedge funds would not be required to report the expected increase in collateral from the one percent margin increase that is currently required to be reported in Question 41.¹¹⁴

Unlike other hedge funds, however, qualifying hedge funds would be required to report in Question 26 collateral posted and received as of the end of each month of their reporting period, consistent with the reporting intervals in the table in the current Question 41. We propose to retain the monthly reporting of collateral obligations for qualifying hedge funds because the size of large hedge funds and therefore their broader interconnectedness to the financial markets merit more regular reporting to aid the FSOC's ability to monitor interim changes in exposures that may be relevant to systemic risk assessment that are not visible from less than monthly data.

The elimination of Question 41 would not significantly diminish the Commissions' and FSOC's ability to monitor systemic risk and protect investors because Questions 26, 42 and 43 along with other questions on Form PF, would continue to facilitate the tracking of large hedge funds' collateral practices and their credit exposure to counterparties as well as the exposure that creditors and other counterparties have to large hedge funds.¹¹⁵ For more detailed information on counterparty exposures, the Commissions and FSOC would instead rely on the data filed in response to Questions 42 and 43, which, with certain proposed amendments

specified below, would provide information on borrowing arrangements with significant counterparties and creditors of large hedge funds while reducing reporting burdens associated with Question 41.¹¹⁶

In connection with the proposal to remove Question 41, we propose a conforming amendment to Question 18 in section 1b, which is required for all hedge funds, so that advisers to large hedge funds must report there information regarding the value of the reporting fund's total borrowings and classify creditors by type (i.e., U.S. depository institutions, U.S. creditors that are not U.S. depository institutions, and non-U.S. creditors).¹¹⁷

We also propose amendments to conform Question 42 and Question 43 to the table in Question 26, as responses to these questions are based on calculations performed to complete the consolidated counterparty exposure table.¹¹⁸ The conforming changes to subsection (a) of Question 42 would result in less burdensome breakdown of

¹¹⁶ See current Questions 42 and 43 of Form PF. Question 42 currently requires advisers, for each of their qualifying hedge funds, to identify significant creditors and counterparties. In current subsection (a) of Question 42, advisers must complete a detailed individual counterparty exposure table, which includes a break out of borrowings and lending by type, for the top five creditors and counterparties to which the reporting fund owed the greatest dollar amount in cash borrowing entries. In current subsection (b) of Question 42, advisers must identify and provide less detailed information (for example, unlike subsection (a), current subsection (b) does not require advisers to categorize borrowings by type) about creditors and counterparties (including CCPs) that were not the top five listed in the individual counterparty exposure tables, but to which the reporting fund owed an amount in respect of cash borrowing entries which is equal to or greater than either (1) 5% of the reporting fund's net asset value as of the data reporting date, or (2) \$1 billion. As discussed below, the proposed changes to Question 42 would direct advisers to report on all borrowings (as opposed to cash borrowing entries) from significant counterparties and creditors of qualifying hedge funds. See proposed Question 42 of Form PF. In current Question 43, advisers are required, for each of their qualifying hedge funds, to identify all counterparties (including CCPs) to which a fund has net mark-to-market counterparty credit exposure after collateral that equals or is greater than either (1) five percent of the fund's net asset value or (2) \$1 billion. As discussed below, proposed changes to Question 43 would direct advisers to calculate net mark-to-market counterparty credit exposure using borrowing entries (as opposed to cash borrowing entries) and lending entries (as opposed to cash lending entries). See proposed Question 43 of Form PF and *infra* footnote 123.

¹¹⁷ See proposed Question 18 of Form PF.

¹¹⁸ See proposed Question 42 of Form PF. The individual counterparty exposure table in proposed Question 42 would remove references to the additional classifications of collateral that the consolidated counterparty exposure table in Question 26 does not have. Revisions to Question 43, which flows from the individual counterparty exposure table in Question 42, would be reflected in the schema for Question 43.

¹⁰⁹ See Form PF Question 41, subsections (b)(vii), (c)(vi), (d)(vi), (e)(vi), and (f)(viii). In some subsections, the instructions appear to mistakenly require advisers to report the expected change in collateral if the required margin increases by one percent, rather than by one percent of the position size.

¹¹⁰ 2024 Form PF Adopting Release at section II.C.2.b.

¹¹¹ *Id.*

¹¹² See, e.g., AIMA Letter II.

¹¹³ But see proposed Question 18 of Form PF which requires all reporting funds to report the value of the reporting fund's total borrowings and to classify creditors by type (i.e., U.S. depository institutions, U.S. creditors that are not U.S. depository institutions, and non-U.S. creditors).

¹¹⁴ See *supra* footnote 108 and accompanying text.

¹¹⁵ See *infra* section III.C.13 for a more detailed discussion of the benefits and costs of the proposed changes to counterparty exposure reporting by large hedge fund advisers, and *infra* section III.F.5 for the reasonable alternatives considered.

collateral required of the top five counterparties of the reporting fund in response to both Questions 42 and 43.

Relatedly, we propose conforming amendments to amend instructions for Questions 42 and 43 as a result of the proposed elimination of the consolidated counterparty exposure table under Question 41 as well as conforming amendments to certain definitions in the Form PF Glossary of Terms to remove references to Question 41.¹¹⁹

In addition to the removal of Question 41 and related conforming amendments discussed above, the Commissions propose amendments to Question 42 and conforming changes to Question 43 in order to retain detailed information on counterparty exposures relevant to monitoring and assessing systemic risk.¹²⁰ To retain information on the type of counterparty exposure for all borrowings to significant counterparties and creditors of qualifying hedge funds, which is important to monitoring and assessing systemic risk, the Commissions propose to amend Question 42 to require large hedge fund advisers to report on all borrowings¹²¹ rather than only cash borrowings, and to categorize in subsection (b) of Question 42 the borrowing entries by type (*i.e.*, unsecured borrowing, secured borrowing (prime brokerage or other brokerage agreement), secured borrowing via repo and reverse repo, other secured borrowing, derivative positions cleared and uncleared by a CCP)¹²² from all significant counterparties and creditors of qualifying hedge funds.¹²³ Relatedly, we

propose conforming changes to the instructions for calculating the reporting fund's net mark to market counterparty credit exposure in Question 43 to revise references to "cash borrowing entries" to "borrowing entries" and "cash lending entries" to "lending entries".¹²⁴

Information on all borrowings and borrowing types are requested on a consolidated basis under current Question 41, which would be removed under this proposal. Because this information provides critical insight into large hedge funds' interconnectedness to the broader financial system and is often integrated with other data sets that enhance systemic risk assessment, we propose to retain this information for qualifying hedge funds' significant counterparty exposures. Proposed Question 42 would provide reporting that corresponds to Question 41, but only for significant counterparties of the qualifying hedge fund, without the margin increase reporting, and with the less burdensome collateral breakdown required only for the top five counterparties of the qualifying hedge fund. As a result, the proposed counterparty reporting would provide the information the Commissions and FSOC should need to assess systemic risk or investor protection concerns relating to counterparty exposures and borrowing but with substantially limited reporting burdens.

We do not expect any significant impacts from these proposed changes to simplify large hedge fund reporting on the Commissions' and the FSOC's ability to monitor and identify systemic risk and to protect investors because the Commissions and FSOC have alternative means by which information is collected on large hedge funds' counterparty exposures.¹²⁵ For example,

amount that is equal to or greater than either five percent of its net asset value as of the data reporting date or \$1 billion. *See* proposed Question 42 of Form PF.

¹²⁴ *See* proposed Question 43 of Form PF; proposed Form PF Glossary of Terms (definition of "lending entries"). Under proposed Question 43, for counterparties to which the reporting fund had net borrowing exposure, the reporting fund's net mark to market counterparty credit exposure before collateral would equal the reporting fund's borrowing entries, and the reporting fund's net mark to market counterparty credit exposure after collateral would be the amount (if any) by which the collateral posted entries exceed such borrowing entries. *See supra* footnote 120. For counterparties to which the reporting fund had net lending exposure, the reporting fund's net mark to market counterparty credit exposure before collateral would mean the lending entries. The reporting fund's net mark to market counterparty credit exposure after collateral would equal the amount (if any) by which the reporting fund's lending entries exceed the collateral received entries.

¹²⁵ *See infra* section III.C.13 for a more detailed discussion of the benefits and costs of these

the information Question 26 collects would facilitate the Commissions' and FSOC's understanding of large hedge funds' borrowing and financial relationships, counterparty exposures, collateral practices, and the interconnectedness of large hedge funds within the broader financial services industry. Importantly, the table in Question 26 would obtain information regarding both borrowing and lending practices of large hedge funds and their collateral obligations on a monthly basis. This information would provide the Commissions and FSOC with a bilateral picture of large hedge funds' borrowing and financing arrangements and sufficiently granular data to be able to monitor potential contagion risks of any particular counterparty failure in rapidly changing markets and portfolios, to assess who may be impacted by a reporting fund's failure. Although we recognize that the classifications of collateral within each borrowing, lending or transaction category as required in Question 26 may be challenging in some instances for advisers to the extent counterparties do not track this information, the burdens should be mitigated by the simplification of consolidated counterparty exposure reporting by eliminating Question 41. To the extent Question 26 may nevertheless continue to pose challenges for advisers, we request comment on ways to alleviate burdens while retaining the information necessary to fulfill the Commissions' and the FSOC's systemic risk assessment and investor protection objectives.

The Commissions and FSOC would also receive, through proposed Question 18, information on large hedge funds' total borrowings and creditor types broken out into the same categories that the table in Question 41 had requested (*i.e.*, U.S. depository institutions, U.S. creditors that are not U.S. depository institutions, and non-U.S. creditors).¹²⁶ Moreover, as discussed above, the proposed changes to Question 42 would collect more detailed information such as types of borrowing from significant counterparties and creditors of large hedge funds. In the absence of Question 41, the aggregate reporting under Question 18 combined with reporting under Question 26 and proposed Question 42 would still be appropriate and sufficient for purposes of the Commissions' and FSOC's ability to monitor borrowing practices across the private fund industry and the level of

proposed changes to counterparty exposure reporting by large hedge fund advisers.

¹²⁶ *See* proposed Question 18 of Form PF.

¹¹⁹ *See* proposed Form PF Glossary of Terms (definitions of "cash borrowing entries," "cash lending entries," "consolidated counterparty exposure table," "collateral posted entries" and "collateral received entries"). In addition, the definition of "individual counterparty exposure table" would be amended to correct an error. The definition currently mistakenly refers to Question 41 in addition to Question 42. Under the proposed amendments, this error would be corrected to refer to Questions 42 and 43.

¹²⁰ *See* proposed Question 42 of Form PF.

¹²¹ *See* proposed Form PF Glossary of Terms (definition of "borrowing entries"). In current Question 42 of Form PF, the instructions for completing subsection (b) state that advisers must report "cash borrowing entries" in column (d), whereas column (d) of the table in subsection (b) refers to "Borrowing". The proposed change would reconcile this difference by amending the instructions for completing subsection (b) of Question 42 to instruct filers to report all borrowings (*i.e.*, "borrowing entries" as defined in the proposed Form PF Glossary of Terms) in column (d) of subsection (b).

¹²² Instructions for completing subsection (b) of Question 42 would be amended to direct advisers to report "the dollar amount of each type of borrowing in rows (d)(1) through (d)(6)." *See* proposed Question 42 of Form PF.

¹²³ A counterparty or creditor is significant if the reporting fund borrows from such counterparty an

interconnectedness of large hedge funds to banks and the broader financial system. Moreover, Question 42 and Question 43 would continue to obtain other detailed information about qualifying hedge funds' significant individual counterparties,¹²⁷ which should help the Commissions and FSOC to localize accurately a large hedge fund's risk exposure in the event of a particular counterparty failure.¹²⁸

We also have alternative means through which we can sufficiently determine a reporting fund's sensitivity to margin increases from other questions on Form PF.¹²⁹ These alternate means afford FSOC the ability to collect and determine information relevant to monitoring systemic risk. For example, the following questions concerning liquidity would help identify funds that are sensitive to potential margin changes: Question 20, which requires advisers to report assets and liabilities categorized by the fair valuation hierarchy, and Question 37, which requires advisers to report the percentage by value of the reporting fund's positions that may be liquidated within certain specified periods. Together these questions help identify funds that are sensitive to potential margin changes because they help identify the ability of a reporting fund to meet a margin call by selling liquid assets. These alternative ways provide FSOC with sufficient information to monitor and assess systemic risk.

The Commissions also seek comment on the burdens on advisers with respect to netting counterparty exposures and cross-margining in response to Question 26, Question 27, Question 28, Question 42 and Question 43. Question 26 directs advisers to net the reporting fund's exposure to each counterparty and among affiliated entities of a counterparty and associated collateral. Hedge fund advisers that are not large hedge fund advisers are required to report certain significant individual counterparty exposures including borrowing and collateral posted by the reporting fund in response to Question 27 and Question 28, whereas large hedge fund advisers to qualifying hedge funds must report on the fund's significant individual counterparty exposures in response to Question 42

and Question 43. These questions also include detailed instructions on netting the exposure to each counterparty, which were designed to help ensure data quality and comparability.¹³⁰

For example, in Question 26, netting must be used to reflect net cash borrowed from or lent to a counterparty but must not be used to offset securities borrowed and lent against one another, when reporting prime brokerage and repo/reverse repo transactions.¹³¹ Since the adoption of the 2024 amendments, however, several members of the industry highlighted the significant burdens of answering these questions and continued interpretive challenges with the netting instructions in the form. In particular, reporting netted individual counterparty exposure may be operationally challenging with respect to blended margin arrangements (e.g., cross-margining agreements). Although Form PF provides instructions on how to net exposures and account for cross-margining agreements,¹³² these instructions have not alleviated interpretive challenges because advisers cannot necessarily align associated collateral with the borrowing, lending or transaction categories in the counterparty exposure tables (e.g., breaking out netted counterparty exposures by different transaction type and type of collateral as requested by Question 26 and the following questions on individual counterparty exposures in Question 27, Question 28, Question 42 and Question 43). Filers have also expressed difficulty with interpreting the netting instruction in Question 26 mentioned above as it relates to reporting prime brokerage and repo/reverse repo transactions.

The concerns raised by members of the industry indicate that adjustments to the instructions may be needed to better align them with how counterparty balances are reported to advisers in practice and to better balance the filing burdens on advisers and the need for the Commissions and FSOC to collect information necessary to monitor hedge funds' borrowings and counterparty credit exposures.

We request comment on the proposal to eliminate Question 41, as well as the proposed changes to Question 42 and Question 43, and to the conforming amendments to certain terms in the Form PF Glossary of Terms and to Question 42 and Question 43 to align them with Question 26; we also request comment on reporting netted consolidated and individual counterparty exposures in response to Question 26, Question 27, Question 28, Question 42 and Question 43:

65. Should the Commissions eliminate Question 41? Why or why not?

66. Would the proposed deletion of Question 41 impede our ability to appropriately collect information about counterparty exposures in the large hedge fund industry necessary and appropriate for the assessment of systemic risk? Why or why not?

67. Would removing Question 41 meaningfully alleviate burdens on large hedge fund advisers? Why or why not? Should any adjustments be made to Question 26 to alleviate burdens on large hedge fund advisers?

68. Are any additional amendments or clarifications needed for Question 42, Question 43 and certain definitions in the Form PF Glossary of Terms discussed above, in light of the proposed removal of Question 41?

69. Should the Commissions amend Question 42 as proposed? Why or why not?

70. Are any clarifications or adjustments needed to the definitions of "borrowing entries" and "lending entries" added to the Form PF Glossary of Terms in light of the proposed changes to Question 42?

71. Would the proposed changes to Question 42 help our ability to appropriately collect information about counterparty exposures in the large hedge fund industry necessary and appropriate for the assessment of systemic risk? Why or why not?

72. Would the proposed changes to Question 42 increase burdens on large hedge fund advisers? Why or why not? Should any adjustments be made to Question 42 to alleviate burdens on large hedge fund advisers?

73. Should the proposed changes to the borrowing column in subsection (b) of Question 42 include classifications for derivatives positions? Why or why not? Would requiring classifications for derivatives positions increase burdens on large hedge fund advisers? Why or why not? Should advisers instead be allowed to include derivatives positions under "other secured borrowing" or alternatively under a new category "other borrowing"?

¹²⁷ See proposed Question 42 and Question 43 of Form PF. See also *infra* III.C.13 for a more detailed discussion of the benefits and costs of the proposed changes to counterparty exposure reporting by large hedge fund advisers.

¹²⁸ See 2024 Form PF Adopting Release at section II.C.2.d.

¹²⁹ See also *infra* section III.C.13 for a more detailed discussion of the benefits and costs of the proposed changes to counterparty exposure reporting by large hedge fund advisers.

¹³⁰ See 2024 Form PF Adopting Release at n.227.

¹³¹ See Question 26 of Form PF.

¹³² For example, Question 42(a)(iii) instructs as follows: "check this box if one or more prime brokerage agreements provide for cross-margining of derivatives and secured financing transactions. If you have checked this box, and collateral does not clearly pertain to secured financing vs. derivatives transactions, report exposures and collateral as follows: . . . enter any additional collateral gathered by the prime broker under a cross margining agreement on lines (iii)(B),(C), (D), and (E)." See also 2024 Form PF Adopting Release at n.402 and accompanying text.

74. Should the proposed changes to subsection (b) of Question 42 include a requirement to provide lending (in U.S. dollars) by the reporting fund to other creditors and counterparties identified therein and classifications of such lending (in U.S. dollars) (e.g., secured lending (prime brokerage or other brokerage agreement), secured lending via repo and reverse repo, other secured lending, derivative positions cleared by a CCP, and derivative positions not cleared by a CCP)? Why or why not?

75. Should the data reported in column (d), subsection (b) of Question 43 be amended to categorize the type of borrowings (e.g., via repo/reverse repo, prime brokerage, etc.) from all significant counterparties and creditors of qualifying hedge funds? Why or why not?

76. Should any of the types of borrowing, lending or transactions (e.g., unsecured, secured borrowing and lending under a prime brokerage agreement, secured borrowing and lending via repo or reverse repo, other secured borrowing and lending, derivatives cleared by a CCP, and uncleared derivatives) be eliminated, separated or consolidated in Question 26, Question 27, Question 28, Question 42 and Question 43? Why or why not?

77. Should any of the classifications of collateral (e.g., cash and cash equivalents, government securities and other securities) be eliminated or consolidated in Question 26, Question 27, Question 28, Question 42 and Question 43? Why or why not?

78. Are the instructions around netting counterparty exposures in Question 26, Question 27, Question 28, Question 42 and Question 43 burdensome and/or unclear? If so, how should the Commissions modify these instructions to alleviate burdens on large hedge fund advisers or provide greater clarity? Are the instructions around netting counterparty exposures inconsistent with respect to affiliates? If so, how?

79. In light of the information required to be reported in response to Questions 18, 26, 27, and 28, should qualifying hedge funds respond to Questions 27 and 28 instead of Questions 42 and 43? Do the benefits of the requested information in Questions 42 and 43 outweigh their costs, taking into account the information provided in response to Questions 18, 26, 27, and 28?

80. Alternatively, should the Commissions eliminate Question 27 and Question 28 to focus significant counterparty exposure reporting on large hedge fund advisers? As another alternative, should the Commissions

eliminate Question 28 to focus the more complicated netted significant counterparty exposure reporting on large hedge fund advisers? Why or why not?

81. Do cross-margining agreements make it difficult for an adviser to trace what collateral has been posted or received for certain transactions? Why or why not?

82. Should counterparty exposure reporting be based on net exposures as proposed, or instead gross exposures? Why or why not?

83. Instead of the current netting and cross-margining instructions, should filers be permitted to use their own internal methodologies with respect to netting and cross-margining agreements? If filers would be permitted to use their own such internal methodologies, would that provide better or worse insight into counterparty exposures and counterparty interconnectedness than the proposed instructions? If filers were permitted to use their own internal methodologies, would that provide better or worse ability to compare and aggregate counterparty exposures across advisers?

84. Is there a better way to determine whether the reporting fund and its counterparties are either overcollateralized or undercollateralized? If so, please describe how and provide example language.

85. When reporting prime brokerage and repo/reverse repo transactions, do the instructions in Question 26 that require netting to reflect net cash borrowed from or lent to a counterparty but do not require filers to offset securities borrowed and lent against one lead to inconsistent, inaccurate or misleading information necessary to monitor for the assessment of systemic risk? Why or why not?

86. Would these netting instructions in Question 26 lead to inconsistent, inaccurate or misleading information when comparing reported data across Question 26, Question 42 or 43?

87. Do the netting instructions in Question 26 lead to the accurate identification of material counterparties reported in Question 42 and 43? Why or why not?

88. Should the netting instructions in Question 26 require netting of both cash and securities in order to identify counterparty credit risk? Why or why not?

89. Proposed instructions for completing subsection (a) of Question 42 would direct advisers to complete the individual counterparty exposure table for the five creditors and counterparties to which the reporting

fund owed the greatest dollar amount in borrowing entries (before posted collateral). Instructions in proposed Question 43 would direct advisers to provide the information required by the individual counterparty exposure table at subsection (a) for the five counterparties to which the reporting fund had the greatest dollar net mark to market counterparty credit exposure after collateral, calculated using borrowing entries and lending entries. Will amending the instructions in Question 42 and Question 43 from identifying each creditor or other counterparty to which the reporting fund owed an amount in respect of cash borrowing entries to all borrowing entries, and amending the instructions for calculating net mark to market counterparty exposure for purposes of Question 43(a) to refer to borrowing entries (as opposed to cash borrowing entries) and lending entries (as opposed to cash lending entries), result in a different set of top five counterparties required to be reported in subsection (a) of Question 42 and top five counterparties required to be reported in subsection (a) of Question 43? If so, please describe how.

90. Should the instructions to Question 27, Question 28, Question 42, and Question 43 reference only cash borrowing entries, or all borrowings of the reporting fund (both cash and non-cash)? Why or why not?

91. Should the definition of “collateral posted entries”¹³³ be amended to include additional entries or to remove certain entries from the reporting fund’s consolidated counterparty exposure table? For example, should all cash collateral entries be included in “collateral posted entries”? Why or why not?

M. Eliminate Rehypothecation Reporting

The Commissions propose to remove Question 45 of Form PF, eliminating the requirement that advisers to qualifying hedge funds report the percentage of the total amount of collateral and other credit support that counterparties have posted to the reporting fund that may be rehypothecated and that the reporting fund has rehypothecated. To date, the reporting for Question 45 has not resulted in reliable data, and it continues to be operationally challenging and burdensome for advisers to obtain the required information.

Since 2011, Form PF has required advisers to qualifying hedge funds to

¹³³ See Form PF Glossary of Terms (definition of “collateral posted entries”).

report certain information regarding rehypothecation of the reporting fund's aggregate collateral. Specifically, Question 38 of Form PF prior to the 2024 amendments required qualifying hedge funds to provide the percentage of the total amount of collateral and other credit support that counterparties had posted to the reporting fund that may be rehypothecated and that the reporting fund had rehypothecated.¹³⁴ Qualifying hedge funds were also required to provide the percentage of the total amount of collateral and other credit support that the reporting fund had posted to counterparties that may be rehypothecated.¹³⁵ This information was designed to assist FSOC in, among other things, monitoring the liquidity of hedge fund exposures as well as hedge funds' ability to respond to market stresses and their interconnectedness to counterparties.¹³⁶ As part of the 2024 amendments (which redesignated Question 38 as Question 45), the Commissions eliminated the requirement for large hedge fund advisers to report the percentage of the total amount of collateral and other credit support that the reporting fund had posted to counterparties that may be re-hypothecated. The Commissions adopted this change because such reporting was burdensome for advisers, and the data that was obtained was generally not reliable.¹³⁷ This was because advisers could not easily collect and report the required information as re-hypothecation commonly occurs from omnibus accounts into which advisers generally do not have visibility.¹³⁸ The 2024 amendments, however, retained the requirement that large hedge fund advisers report information regarding the rehypothecation of collateral and other credit support that counterparties have posted to the reporting fund.¹³⁹

¹³⁴ See Question 38(a)(i) and Question 38(a)(ii) of the Form PF prior to the 2024 amendments, available at <https://www.sec.gov/files/rules/final/2011/ia-3308-formpf.pdf>.

¹³⁵ See Question 38(b) of the Form PF prior to the 2024 amendments, available at <https://www.sec.gov/files/rules/final/2011/ia-3308-formpf.pdf>.

¹³⁶ See Reporting by Investment Advisers to Private Funds and Certain Commodity Pool Operators and Commodity Trading Advisors on Form PF, Investment Advisers Act Release No. 3145 (Jan. 26, 2011), 76 FR 8068 (Febr. 11, 2011) at section II.C.2.b.

¹³⁷ See 2024 Form PF Adopting Release at section II.C.2.b.

¹³⁸ See *id.*

¹³⁹ Because counterparties typically do not track rehypothecation of cash collateral, the SEC staff retained its FAQ permitting advisers not to include cash collateral when responding to questions regarding the rehypothecation of collateral and other credit support by the reporting fund. See SEC staff Form PF Frequently Asked Question 45.1,

Although the burdens on advisers were expected to be reduced by the elimination of rehypothecation reporting with respect to collateral posted by the reporting fund, filers continued to identify data challenges as they prepared to implement reporting under Question 45. Filers have highlighted the operational challenges of identifying the exact percentages of rehypothecated collateral after disregarding cash collateral per SEC staff FAQs, and due to the fact that agreements with counterparties typically do not stipulate the exact percentages at which posted collateral may be rehypothecated (for example, counterparty agreements may have a rehypothecation limit stated as a maximum percentage of the reporting fund's total indebtedness to a counterparty, rather than as a percentage of the total collateral posted). Moreover, data received in response to Question 38 (redesignated as Question 45 as part of the 2024 amendments) have generally been imprecise and not comparable, as advisers have typically answered with rough estimates, *e.g.*, "0%" or "100%", with accompanying assumptions based on the parameters set by their counterparty agreements. The operational challenges in responding to Question 38 (currently Question 45 after the 2024 amendments) has resulted in data that does not provide an accurate picture of hedge funds' counterparty exposures in a manner that is meaningful to monitoring the level of their interconnectedness to the financial markets.

The Commissions therefore believe the question is unnecessary and that removing this question would not significantly impact FSOC's ability to monitor systemic risk and financial stability.¹⁴⁰

We request comment on the proposal to eliminate Question 45:

92. Should the Commissions, as proposed, eliminate Question 45 in its entirety? If not, what information should be retained? If Question 45 is retained, should the Commissions alter the type of information required in this question?

93. Would removing Question 45 meaningfully alleviate burdens on private fund advisers?

available at <https://www.sec.gov/rules-regulations/staff-guidance/division-investment-management-frequently-asked-questions/form-pf-faq>; see also Historical SEC staff Form PF Frequently Asked Question 38.1, available at <https://www.sec.gov/rules-regulations/staff-guidance/division-investment-management-frequently-asked-questions/historical-form-pf-faqs>.

¹⁴⁰ See *infra* section III.C.14 for a more detailed discussion of the benefits and costs of eliminating Question 45.

94. Would the proposed elimination of Question 45 impede our ability to appropriately collect information about the private fund industry necessary and appropriate in the public interest and for the protection of investors, or for the assessment of systemic risk?

95. Is there an alternative way that the SEC should identify the amount of rehypothecation that occurs with respect to collateral posted to the reporting fund?

N. Amendments to Large Hedge Fund Adviser Current Reporting

The SEC proposes to amend certain items within section 5, the section of Form PF that requires large hedge fund adviser current reporting. Currently, section 5 requires large hedge fund advisers to report the occurrence of extraordinary investment losses, certain margin events, counterparty defaults, material changes in prime broker relationships, operations events, and certain events associated with redemptions "as soon as practicable, but no later than 72 hours" after the occurrence of the event or when the adviser reasonably believes the event occurred.

The SEC is proposing to (1) remove the requirement to file a current report "as soon as practicable" so that large hedge fund advisers are afforded a full 72 hours to file a current report; (2) remove Item D, the current reporting obligation for margin default or determination of inability to meet a call for margin, collateral or equivalents; (3) amend Item G to narrow the meaning of an "operations event" by deleting the second prong of the definition of "critical operations;" and (4) remove the requirement to file a current report if a qualifying hedge fund is unable to pay a redemption request under Item I. The SEC is also requesting comment on whether the agency should revise the reporting trigger for section 5 Item I or remove this question.

1. Modify the Current Reporting Filing Deadline

The SEC proposes to remove the requirement to file a section 5 current report "as soon as practicable" after a reportable event so that large hedge fund advisers would only be required to file no later than 72 hours after the reportable event.¹⁴¹ Currently, upon the occurrence of any event specified in section 5, a large hedge fund adviser to a qualifying hedge fund must file a current report "as soon as practicable,

¹⁴¹ See Form PF section 5.

but no later than 72 hours” after the reportable event.

The SEC added section 5 current reporting in 2023 to receive timely notice of certain critical hedge fund events to better allow the SEC and FSOC to assess the need for potential regulatory action in response to any harm to investors or potential risks to financial stability on an expedited basis before they worsen.¹⁴² The SEC adopted the “as soon as practicable, but no later than 72 hours” timing standard in a change from its proposal to require filing within one business day, explaining that the extended window would provide advisers with sufficient time to identify events and conduct sufficient analysis to review and file timely current reports.¹⁴³

However, since current reporting has come into effect, industry members have noted that this standard is inconsistent with the filing deadline used on other SEC forms. Such forms also have similar time-based filing deadlines, but they do not include an additional obligation to file “as soon as practicable.”¹⁴⁴

Industry members have explained that the “as soon as practicable” standard creates unnecessary burdens around the determination of when to file a current report while the adviser is already under time-sensitive and potentially stressed circumstances. An adviser might need to expend additional resources on internal and external counsel for guidance regarding when it is required to file a current report. Practically, such adviser might need to weigh the risk of filing a potentially inaccurate current report in advance of 72 hours because it is “practicable” against the risk of taking more time to file a more accurate report and have it deemed late even though it was filed with 72 hours. A definite 72-hour deadline would reduce the need for an adviser, already under potentially stressed conditions, to expend resources on counsel to help guide it through this analysis.

While the removal of the “as soon as practicable” standard may result in some current reports being filed later than under the existing standard (but still no later than 72 hours after a reportable event), the SEC expects that any difference in filing time between “as soon as practicable” and 72 hours would not significantly hinder its ability

to respond.¹⁴⁵ The SEC anticipates that the improvement in the completeness and quality of information in the current reports would further support FSOC’s assessment of systemic risk and the SEC’s investor protection efforts, while reducing filers’ burdens.

The SEC requests comment on the proposed change to the current reporting filing deadline:

96. Should the SEC delete the language “as soon as practicable” from the filing deadline? Why or why not?

97. Is the SEC’s description of how filers attempt to comply with the “as soon as practicable” standard accurate? Why or why not? Do filers in fact expend meaningful resources on internal and external counsel for guidance to help determine the appropriate time to file a current report?

98. Is the 72-hour filing deadline too short or too long? Why or why not? Should the filing deadline instead be expressed in business days, such as three business days? Why or why not?

99. Should the Commissions eliminate the current reporting requirements?

2. Eliminate Current Reporting for Notice of Margin Default or Determination of Inability To Meet a Call for Margin, Collateral or Equivalents

The SEC proposes to eliminate from section 5 the obligation for an adviser to report a qualifying hedge fund’s margin default or inability to meet a call for margin, collateral, or an equivalent (“Item D”).¹⁴⁶

The SEC adopted this item in 2023 because qualifying hedge funds that default or that are unable to meet a call for margin are at risk of the counterparty liquidating that fund’s assets, which to the SEC presents serious risks to the fund’s investors, its counterparties, and potentially the broader financial system.¹⁴⁷ At that time, the SEC declined to limit the reporting trigger only to “large” margin defaults or to certain trades, strategies, or positions based on an understanding that such limits could hinder the SEC’s or FSOC’s ability to receive sufficiently early or fulsome information to identify and help prevent potential contagion.¹⁴⁸

Since the 2023 adoption, the SEC has observed that reporting of material margin default events are likely to overlap with other triggers that large

hedge fund advisers also report, such as extraordinary investment losses or margin increases, in Items B and C, respectively. For example, a fund’s inability to meet margin calls due to an adverse market move against a concentrated position may trigger extraordinary investment losses reporting under Item B in section 5, margin increase reporting under Item C in section 5, or potentially both. Additionally, the SEC understands that some large hedge fund advisers have found it operationally burdensome to monitor for Item D on a continuous basis due to the lack of a materiality threshold and the difficulty in determining what constitutes the inability to meet a call for margin, collateral, or equivalents.¹⁴⁹ Therefore, to the extent a margin default would be captured by other requirements of Form PF, removing Item D would result in reduced burdens for filers while still retaining an alternative route to obtaining information about a material margin event from qualifying hedge funds.

The SEC requests comment on the proposed change to eliminate the current reporting obligation for a fund’s margin default or inability to meet a call for margin, collateral, or an equivalent:

100. Should the SEC remove Item D in its entirety? Why or why not?

101. If Item D should not be removed in its entirety, should it be revised? If so, how? For example, should the SEC add a threshold to narrow the reporting requirement to material margin defaults? If so, how should that threshold be calculated? Or could the SEC include a trigger, such as limiting reporting only to written notices of default as per an adviser’s counterparty agreements?

102. Are the reporting requirements in Item B and C of section 5 sufficient to identify qualifying hedge funds that are experiencing stress relating to margin or collateral?

3. Streamline Reporting of “Operations Events”

The SEC proposes to amend section 5 Item G (“Item G”) by narrowing what constitutes an “operations event” that triggers current reporting.¹⁵⁰ Currently, large hedge fund advisers to qualifying hedge funds must file Item G if an “operations event” occurs. An “operations event” occurs when “a reporting fund or private fund adviser experiences a significant disruption or

¹⁴² See May 2023 Form PF Adopting Release at section II.A.1.

¹⁴³ See *id.*

¹⁴⁴ See, e.g., Form N-CR, Form N-RN, and Form 8-K.

¹⁴⁵ See *infra* section III.C.15 for a more detailed discussion of benefits and costs of modifying the section 5 filing deadline.

¹⁴⁶ See Form PF section 5, Item D.

¹⁴⁷ See May 2023 Form PF Adopting Release at section II.A.3.b.

¹⁴⁸ See *id.*

¹⁴⁹ See *infra* section III.C.15 for a more detailed discussion of benefits and costs of deleting Item D.

¹⁵⁰ See Form PF section 5, Item G and Form PF Glossary of Terms.

degradation of the reporting fund's critical operations." The current form defines "critical operations" to mean the "operations necessary for (i) the investment, trading, valuation, reporting, and risk management of the reporting fund; or (ii) the operation of the reporting fund in accordance with the Federal securities laws and regulations."

The SEC proposes to streamline the definition of an "operations event" by incorporating the first prong of "critical operations" directly into the definition of an "operations event" while eliminating the second prong of "critical operations," and removing all other references to "critical operations," including in the Glossary of Terms. As a result, the proposed definition of an "operations event" would capture when the reporting fund or private fund adviser experiences a significant disruption or degradation of the operations necessary for the investment, trading, valuation, reporting, and risk management of the reporting fund, whether as a result of an event at a service provider to the reporting fund, the reporting fund, or the adviser.

The SEC added Item G in 2023 because an operations event involving a qualifying hedge fund can have systemic risk implications if the fund is not able to trade as a result of such an event, or notice of operation events from multiple advisers could provide an early indicator of market-wide operations events.¹⁵¹ While the first prong of the "critical operations" definition captures specific "key operations" that could be critical, the second prong is a broader catchall for other situations that might directly or indirectly cause a fund or adviser to be unable to comply with laws and regulations such as an adviser's fiduciary duty. In the 2022 proposal, the SEC explained that the definition implied that both prongs must be met to trigger a reportable event, but the final amendments changed the conjunction between the two prongs from "and" in the proposal to "or" in the 2023 release to specify that the SEC "intended for each provision of the definition to be considered a key operation."¹⁵²

However, since current reporting came into effect, large hedge fund advisers have had difficulty interpreting the scope of the second prong and therefore whether certain types of operations events would require them to file a current report for Item G. For example, it is unclear if a large hedge

fund adviser is required to report under the second prong if it experiences an outage that may have an indirect effect on the advisers' ongoing compliance program. Deleting the second prong while keeping the first prong—operations necessary for the investment, trading, valuation, reporting, and risk management of the reporting fund—would focus the scope of the reporting trigger and help large hedge fund advisers to understand exactly what is included in the definition of an "operations event."

Removing the second prong and retaining the items delineated in the first prong is sufficient to identify systemic risk that may be triggered by an operations event at an adviser relative to the burden of retaining the second prong.¹⁵³ Therefore, the SEC proposes to delete "or (ii) the operation of the reporting fund in accordance with the Federal securities laws and regulations" from the definition of "critical operations" and fold the simpler definition into the "operations event" trigger definition to help reduce burdens and confusion for filers when determining if an operations event has occurred that triggers a filing. In addition, the SEC proposes to delete the bulleted item "Disruption or degradation of your ability to comply with applicable laws, rules, and regulations" from the options listed in Question 5–29. This change would align Question 5–29 with the proposed change to the definition of "operations event."

The SEC requests comment on the proposed change to the definition of an "operations event":

103. Should the SEC delete the second prong of "critical operations" and remove references to "critical operations" entirely? Why or why not?

104. Should the SEC delete the operations event current reporting trigger entirely? Why or why not?

105. If this second prong language is deleted, would the definition of "operations event" become focused enough for advisers to understand if one has occurred and sufficiently lessen the burden to monitor for such operations event? If not, how should the definition of "operations event" be modified?

106. Are there other terms or situations that the SEC should address to further specify what constitutes an "operations event"?

107. Would the proposed change to the definition of "operations event"

unduly weaken investor protection or systemic risk monitoring efforts?

4. Eliminate Current Reporting for Inability To Satisfy Redemption Requests

The SEC proposes to amend section 5 Item I ("Item I") to remove the requirement to file a current report if a qualifying hedge fund is unable to pay a redemption request.¹⁵⁴ Currently, Item I requires a current report to be filed if a reporting fund (1) is unable to pay redemption requests, or (2) has suspended redemptions and the suspension lasts for more than 5 consecutive business days.

The SEC added Item I in 2023 to allow it and FSOC to identify stress at a reporting fund and evaluate the effects of these circumstances on fund investors and the markets more broadly.¹⁵⁵ The SEC stated that the inability to satisfy redemptions or a prolonged suspension of redemptions would provide a potential early warning of a fund's liquidation and potentially allow the SEC or FSOC to analyze or respond to any perceived harm to investors or systemic risks on an expedited basis before they worsen.¹⁵⁶

Filers have raised concerns, in particular, around interpreting and applying the first prong of this trigger, *i.e.*, determining when a reporting fund is "unable to pay a redemption request." Some filers have asked whether the intent of this prong is to capture all circumstances in which a fund does not fulfill a redemption request in cash. Other filers have stated that it is unclear whether a current report is required to be filed if a fund redeems an investor by providing securities (including limited partnership interests in other funds) as a matter of course or at investor request to avoid negative tax consequences. Other investors have stated that this reporting trigger, as currently worded, does not align with industry practice because an "in-kind redemption" generally is not considered a failure to satisfy a redemption request under fund partnership agreements or similar types of contractual arrangements.

Relatedly, in the SEC's experience, reporting under the first prong of Item I has been inconsistent across large hedge fund advisers. Some filers have interpreted this reporting trigger broadly while others have interpreted it

¹⁵¹ See May 2023 Form PF Adopting Release at section II.A.6.

¹⁵² See *id.* at n. 119.

¹⁵³ See *infra* section III.C.15 for a more detailed discussion of benefits and costs of focusing the definition of "operations event."

¹⁵⁴ See Form PF section 5, Item I. In addition, the SEC proposes to delete "was unable to pay or" in Question 5–34 and "and not yet paid" in Question 5–35 to align with this proposed change to the reporting requirement in Item I.

¹⁵⁵ See May 2023 Form PF Adopting Release at section II.A.7.b.

¹⁵⁶ See *id.*

narrowly, leading to inconsistent information that can be difficult to compare across large hedge fund advisers. Furthermore, certain other current reporting requirements—including for extraordinary investments losses in Item B and for redemption suspensions lasting more than 5 consecutive business days in the second prong of Item I—already assist the SEC and FSOC with identifying liquidity stress at a qualifying hedge fund. As a result, the filings received under the first prong of Item I generally have not been beneficial to the SEC or FSOC's investor protection efforts or systemic risk assessment. Deleting the first prong of Item I would reduce burdens for filers without significant impact to the SEC or FSOC's investor protection efforts or assessment of systemic risk.

The SEC requests comment on the proposed deletion of the first prong of Item I:

108. Should the first prong of Item I be removed? Why or why not?

109. Does the first prong of Item I, as currently worded, align with industry practice and understanding? Why or why not? Are there certain industry practices that the first prong of Item I should be revised to better reflect?

110. Instead of removing the first prong of Item I, should it be modified to explicitly require reporting if a reporting fund is unable to pay redemption requests in cash? If the first prong of Item I were so modified, should an exception be made if a reporting fund's partnership agreement explicitly permits non-cash redemptions?

111. If the first prong of Item I is not removed, should a reporting adviser be required to make an Item I current report filing automatically in the event that a redemption request is paid in-kind?

112. Should Item I in its entirety be removed?

O. Eliminate Form PF Private Equity Quarterly Reporting in Section 6

The SEC proposes to eliminate Form PF private equity quarterly reporting ("section 6") in its entirety.¹⁵⁷ Currently, advisers to private equity funds that undergo an adviser-led secondary transaction, general partner removal, termination of the investment period, or termination of fund (a "private equity event") must report in section 6 information about such private

equity event within sixty calendar days after the end of each calendar quarter. If a private equity event did not occur within the quarter, then the adviser does not need to file under section 6.

The SEC added section 6 to Form PF in 2023 based on the expectation that receiving these reports on a quarterly basis would provide timely notice of these private equity events and important information in connection with the SEC's regulatory programs, including examinations, investigations, investor protection efforts, and policy relating to private fund advisers.¹⁵⁸ At that time, the SEC stated that it expected this section to improve the SEC's and FSOC's ability to evaluate material changes in market trends at the reporting funds by providing information about certain events that could significantly affect both investors and markets more broadly.

The SEC has now received these private equity quarterly reports for more than two years. In that time, we have observed that the events reported in section 6 have proven less impactful for investor protection efforts and monitoring systemic risk in the private equity markets than anticipated. The events reported in section 6 have reflected more idiosyncratic, firm-specific events that are not necessarily an indicator of broader urgent harm. For example, continuation funds have become increasingly common as an industry trend, but an adviser might raise one for any number of reasons, many of which do not signal systemic risk, such as continuing to maximize the value of a high performing asset or providing existing investors liquidity while attracting new investors.

Based on the relatively infrequent number of section 6 filings received to date—combined with the reasons discussed above—the information lost in section 6 for investor protection or the assessment of systemic risk is likely to be small.¹⁵⁹ Meanwhile, section 6 must be filed on a timeframe outside of the regular Form PF reporting frequency for private equity funds, which can be burdensome on affected advisers relative to the reports' low observed relationship in contributing towards investor protection and identifying systemic risk in the private equity markets. Our proposed change to eliminate section 6 would streamline the form by removing information that is not as critical to investor protection

or identifying systemic risk as initially expected, further reducing unnecessary burdens on private equity fund advisers.

We request comment on the proposal to eliminate section 6:

113. Should the Commissions, as proposed, remove section 6 in its entirety? If not, what information should be retained? If section 6 is retained, should the Commissions alter the type of information required in the section or the frequency of reporting?

114. Would removing section 6 meaningfully alleviate burdens on private equity fund advisers?

115. Would the proposed elimination of section 6 result in appropriately collecting information about the private equity fund industry necessary and appropriate in the public interest and for the protection of investors, or for the assessment of systemic risk?

116. Is there an alternative way that the SEC should identify the private equity events in section 6 such as by requiring reporting of these events annually rather than quarterly? In particular, general partner removals are rare but can raise investor protection concerns. If the SEC were to eliminate section 6, should the SEC move this specific question to section 1 and make it applicable to any type of filing adviser to be reported on an annual basis? Why or why not? What would be the additional burden of responding to this question annually?

P. Other Corrections and Revisions

The Commissions, and the SEC separately, as applicable, propose to make the following corrections and other revisions in Form PF:¹⁶⁰

- The Commissions and the SEC, as applicable, propose to revise certain section headings to ensure they follow a consistent format.¹⁶¹ Specifically, each section heading would specify which types of advisers are required to complete the section, in a consistent format. This proposed change is not intended to alter the substance of which advisers complete the relevant sections of the form.

- The SEC proposes to correct instructions in sections 3 and 4, and the Commissions propose to simplify the instructions in section 2. Instructions in sections 3 and 4 mistakenly state that, with respect to master-feeder arrangements and parallel fund structures, filers may report collectively or separately about the component funds as provided in the General

¹⁵⁷ See Form PF General Instruction 3. We also propose to remove any other references to section 6 throughout the form as well as the definitions of "adviser-led secondary transaction," "private equity event reports," and "private equity reporting event" from the Glossary.

¹⁵⁸ See generally May 2023 Form PF Adopting Release at section II.B for a discussion of the SEC's rationale for this section and its reporting events.

¹⁵⁹ See *infra* section III.C.16 for a more detailed discussion of benefits and costs of eliminating section 6.

¹⁶⁰ See also *infra* section III.C.17 for a more detailed discussion of benefits and costs of these proposed amendments.

¹⁶¹ Proposed sections 2, 3, and 4.

Instructions. However, General Instruction 6 requires filers to report such component funds separately, subject to specified exceptions.¹⁶² The SEC proposes to correct this mistake by removing the erroneous instruction in sections 3 and 4, and instead relying on General Instruction 6 to instruct filers about how to report component funds. The Commissions also propose to remove the instructions in section 2 about how to report component funds, and instead rely on General Instruction 6 to instruct filers about how to report component funds, to ensure that instructions in sections 2, 3, and 4 follow a consistent format.

- The Commissions propose to simplify instructions for Question 25, by moving certain instructions from General Instruction 15 directly to Question 25. Currently, General Instruction 15 provides that for Question 25 in particular, the numerator that advisers use to determine the percentage of net asset value should be measured on the same basis as gross asset value. General Instruction 15 further provides that responses to Question 25 may total more than 100 percent. We propose to move these instructions, which are specific to Question 25, directly to Question 25, to help ensure that instructions to Question 25 are presented in an efficient manner that helps reduce the amount of cross-referencing filers must do to understand the instructions to Question 25.¹⁶³ This proposed change does not alter the substance of any instructions.

- The Commissions propose to correct current Questions 27 and 42. These two questions, along with current Questions 28 and 43, instruct filers not to treat affiliated counterparty entities as a single group, except that, if the applicable contractual and legal documentation requires cross margining, filers must report certain identifying information. While the instructions in current Questions 28 and 43 specify that filers must report the legal entity name, the instructions in current Questions 27 and 42 mistakenly do not. To correct this mistake, the Commissions propose to include the instruction to report a legal entity name.¹⁶⁴ These proposed amendments are designed to help identify counterparties.

- The Commissions propose to correct current Question 33(a).¹⁶⁵

Current Question 33(a)'s table and instructions appear to be inconsistent, because the table requires filers to report both the "long value" and "short value" of certain currency exposures, while the instructions require filers to report the "net long value" and "net short value" of certain currency exposures. To solve this inconsistency, the Commissions propose to correct the instructions to help ensure filers understand that they must report the long value and short value separately, without netting the two values together.¹⁶⁶ This proposed change would be consistent with General Instruction 15, which requires filers not to net long and short positions, unless otherwise specifically indicated.

- The Commissions propose to add an instruction to current Question 47.¹⁶⁷ Current Question 47 requires filers to separate the effects of certain market factors on their portfolio into long and short components. Filers have questioned how to report such components either (1) by indicating the long and short components with positive and negative signs, respectively; or (2) by reporting the absolute value of each of the long and short components. To help ensure advisers understand the instructions and help ensure data is consistent and comparable, we propose to instruct filers to indicate a negative effect of the market factor change on the long and short components with a negative sign and a positive effect of the market factor change on the long and short components with a positive sign.¹⁶⁸

- The Commissions propose to correct an error in the definition of "large private equity fund adviser" in the Glossary of Terms. The 2024 amendments inadvertently included an "a" after "section 4," and as a result, this definition appears to direct filers to a section 4a, instead of section 4. There is no section 4a; therefore, we propose to correct the error so the term "large private equity fund adviser" correctly references section 4.

The Commissions and the SEC, as applicable, request comment on the proposed corrections and other revisions.

117. Should the Commissions, and the SEC, as applicable, adopt the proposed corrections and other revisions, as proposed?

118. Is there an alternative way to correct the mistakes or help ensure filers understand the questions?

119. Are there additional mistakes or clarifications that we should consider?

For example, for Question 25, should the numerator or denominator change?

Q. Request for Comments on Private Credit Reporting

We are requesting comment on whether to modify the information that advisers report about private credit funds on Form PF. Currently, the Form PF Glossary of Terms does not specifically define "private credit" or "private credit fund." Private credit is an available strategy option listed in the drop-down menu in Question 25, but otherwise private credit fund advisers must follow the same instructions as any other private fund when determining which sections of the form must be completed for a particular private credit fund.

The private credit industry has grown significantly since the form was adopted in 2011 and has grown quickly even since the 2024 Amendments.¹⁶⁹ Some industry members have suggested that private credit funds should report in a new section that is tailored to the risk profile and investor protection concerns of private credit strategies and assets. Others have suggested that new or modified questions should be developed specifically for private credit fund filers.

We request comment on all aspects of private credit reporting on Form PF, including the following items:

120. Should a new private credit Form PF section be added? If so, what should the reporting threshold be? What data should be collected on the fund? What data should be collected on the investments of the fund? How, if at all, should the data collected address (a) credit strategy, (b) gross and net assets under management, (c) leverage, (d) financing counterparties, (e) loan maturity, (f) investor liquidity, (g) liquidity management framework, (h) credit quality, and (i) credit loan exposures? Are there other areas for which data should be collected to better capture the operation and strategies of private credit funds? Relatedly, should the section focus on funds making only

¹⁶⁹ See, e.g., 2025 Private Credit Market Outlook—Part I, Private Credit Market Trends: From Originations to Bank Partnerships and Insurance, Paul Weiss, Mar. 10, 2025, <https://www.paulweiss.com/media/oepsdor/part-i-private-credit-market-trends-from-originations-to-bank-partnerships-and-insurance.pdf> ("Private credit is a rapidly expanding sector that has grown nearly tenfold to reach \$1.5 trillion in 2024 and this remarkable growth trajectory is expected to continue, reaching an estimated US\$3.5 trillion by 2028."). See also Understanding Private Credit's Rapid Growth, Morgan Stanley, Oct. 3, 2025, <https://www.morganstanley.com/ideas/private-credit-outlook-considerations> ("The size of private credit at the start of 2025 was \$3 trillion, compared to about \$2 trillion in 2020, and it is estimated to grow to approximately \$5 trillion by 2029.").

¹⁶² See 2024 Form PF Adopting Release at section II.A.1.

¹⁶³ Proposed General Instruction 15 and proposed Question 25.

¹⁶⁴ Proposed Question 27; proposed Question 42.

¹⁶⁵ Proposed Question 33(a).

¹⁶⁶ Proposed Question 33.

¹⁶⁷ Proposed Question 47.

¹⁶⁸ Proposed Question 47.

private credit investments or on any fund that has an investment that is deemed to be private credit?

121. Should a new private credit subsection be added to an existing section? If so, which section? If private credit is added as a subsection to an existing section, should private funds that invest in broadly syndicated loans be required to report in this new subsection? Why or why not? If a private credit subsection is added to an existing section, should it include both open-end and closed-end private funds that invest in private credit? Why or why not? Should private funds that invest in private credit be required to submit current reports under section 5?

122. Where should private funds that employ short selling as part of a private credit strategy report? Should such private funds report in an existing section? Why or why not? Or, should such private funds report in a new section or subsection? Why or why not?

123. Should we specifically define “private credit”? Why or why not? What should the definition be? Should any specific types of loans be excluded from the definition? Why or why not?

124. Should we specifically define “private credit fund”? Why or why not? What should the definition be? Should securitized asset funds that invest in private credit be included in the definition of a private credit fund? Why or why not? Should any of the definitions of the current types of funds, including the definitions for hedge funds and private equity funds, be modified to include or exclude funds that invest in private credit? Should a definition of a private credit fund include funds that use or may use leverage? If yes, how should leverage be calculated? Should the definition include funds that are not permitted to use leverage?

125. If a new section for private credit is not created, should we add new questions for private credit-related filers? If so, in which section should additional questions be added? Or should we exempt them from certain existing questions? Should such questions focus on funds making only private credit investments or on any fund that has an investment that is deemed to be private credit? Should we require advisers to private credit funds to report under only certain questions from each of sections 3 and 4 if they meet the size thresholds for those sections and if so which ones?

126. What are the greatest risks from private credit or private credit funds from a systemic risk perspective?

R. Proposed Transition Period

We propose to provide a minimum 12-month transition period from the date of publication in the **Federal Register** for filers to comply with the proposed amendments, if adopted, with some filers having longer to accommodate their reporting cycle.¹⁷⁰ Given the nature of the proposed amendments, such as eliminating many requirements, a 12-month transition period should provide filers with sufficient time to implement system changes, test them, and come into compliance with the proposed requirements. We are mindful that the compliance date for the 2024 amendments is October 1, 2026, and the Commissions will consider how the timing of any amendments that the Commissions may adopt will relate to that timing.¹⁷¹

We request comment on the proposed transition period:

127. Would the proposed transition period provide filers with enough time to comply with the proposed amendments? Should it be longer or shorter? For example, should it be six months or 18 months, instead of 12 months?

128. Instead of the proposed transition period, should the transition period differ for certain proposed amendments? For example, should the SEC’s proposed amendments have a longer or shorter transition period from the jointly proposed amendments? Should either or both of the proposed threshold amendments have a shorter or longer transition period than the other proposed amendments? For example, should the proposed filing threshold have a compliance date that is the same as the adopting release’s publication in the **Federal Register**, while the other proposed amendments would have a 12-month transition period?

III. Economic Analysis

A. Introduction

The SEC is mindful of the economic effects, including the costs and benefits, of the proposed amendments. Section 202(c) of the Advisers Act provides that when the SEC is engaging in rulemaking under the Advisers Act and is required to consider or determine whether an action is necessary or appropriate in the public interest, the SEC shall also consider whether the action will promote efficiency, competition, and capital formation, in addition to the

protection of investors.¹⁷² The analysis below addresses the likely economic effects of the proposed amendments, including the anticipated and estimated benefits and costs of the amendments and their likely effects on efficiency, competition, and capital formation. The SEC also discusses the potential economic effects of certain alternatives to the approaches taken in this proposal.

The Commissions are proposing amendments that would:

1. eliminate filing obligations for smaller advisers, irrespective of the categories of private funds they advise;

2. eliminate certain reporting obligations for smaller hedge fund advisers;

3. eliminate certain other requirements, including quarterly event reporting, certain current reporting, and other requirements; and

4. streamline certain requirements and make corrections as well as other revisions.

The proposed amendments are designed to eliminate certain burdens, among other things, while ensuring Form PF continues to collect information necessary and appropriate in the public interest and for the protection of investors or for the assessment of systemic risk in the U.S. financial system by FSOC.¹⁷³

The compliance date for the 2024 Form PF amendments has been postponed multiple times.¹⁷⁴ Since the adoption of the 2024 amendments, industry members have provided feedback regarding some of these requirements, stating that some have been particularly challenging to implement.¹⁷⁵

Many of the benefits and costs discussed below are difficult to quantify. In some cases, data needed to quantify these economic effects are not currently available and the SEC does not have information or data that would allow such quantification. For example, while we anticipate that the quantified cost-savings estimates would apply broadly for each category of private fund adviser, these estimates depend on many factors that could differ across reporting persons, including advisers’ existing systems and the nature and degree of advisers’ efforts to prepare for the postponed compliance dates for the 2024 amendments, and for which we do not have data.¹⁷⁶ Further, we are unable

¹⁷² 15 U.S.C. 80b–2(c).

¹⁷³ See *supra* section I.

¹⁷⁴ See *supra* footnote 8 and accompanying text.

¹⁷⁵ See, e.g., *supra* footnotes 53 and 66; sections II.F, II.K.

¹⁷⁶ See *infra* footnotes 240 and 241 and accompanying text.

¹⁷⁰ See January 2025 Form PF Extension Release at section I for a discussion of compliance date alignment with reporting cycles.

¹⁷¹ See *supra* footnote 8.

to quantify costs arising from any increase in systemic risk that could result from the proposed amendments, although we are able to describe mitigating factors and expect that the practical effects of the amendments on systemic risk monitoring would be small.¹⁷⁷ While the SEC has attempted to quantify economic effects where possible, much of the discussion of economic effects is thus qualitative in nature. Accordingly, the SEC seeks comment on all aspects of the economic analysis, especially any data or information that would enable a quantification of the proposal's economic effects.¹⁷⁸

B. Baseline

The baseline against which the costs, benefits, and the effects on efficiency, competition, and capital formation of the proposed amendments are measured consists of the current state of the market, Form PF filers' current practices, and the current regulatory framework.¹⁷⁹

1. Regulatory Baseline

General Background. Form PF is filed by investment advisers to provide the Commissions and FSOC with information on the private funds they advise. Investment advisers registered (or required to be registered) with the SEC with at least \$150 million in private fund assets under management must file Form PF.¹⁸⁰ Advisers generally file at quarterly or annual frequencies and fill out different sections of the form depending on their assets under management and the types of private funds they manage. All private fund advisers that are required to file Form PF must complete sections 1a and 1b.¹⁸¹

In addition, all private fund advisers that are required to file Form PF and that advise one or more hedge funds must complete section 1c.¹⁸² Large hedge fund advisers, defined as any private fund advisers that are required to file Section 2 of Form PF for a qualifying hedge fund, must file at a quarterly frequency and complete section 2 for each qualifying hedge fund that they advise.¹⁸³ Similarly, large liquidity fund advisers, defined as any private fund advisers that are required to file section 3 of Form PF, must file at a quarterly frequency and complete section 3 for each liquidity fund they advise.¹⁸⁴ Large private equity fund advisers, defined as any private fund advisers that are required to file section 4 of Form PF, file at an annual frequency and are required to complete section 4 for each private equity fund they advise.¹⁸⁵ In sections 2, 3, and 4, advisers generally provide more granular information about the qualifying hedge funds, liquidity funds, and private equity funds that they advise, respectively.¹⁸⁶ In addition, as discussed below, large hedge fund advisers and advisers to private equity funds must file sections 5 and 6, respectively, upon the occurrence of certain events.¹⁸⁷ Lastly, smaller private fund advisers are considered to be all other advisers required to file Form PF

that do not meet the definition of large hedge fund adviser, large liquidity fund adviser, or large private equity fund adviser. Smaller private fund advisers must file Form PF annually.¹⁸⁸ The thresholds used to define the different categories of advisers were introduced when Form PF was initially adopted in 2011.

All private fund advisers required to file Form PF are investment advisers registered or required to be registered with the SEC. As such, they are also required to file Form ADV.¹⁸⁹ In addition to providing information about themselves, investment advisers to private funds report on Form ADV general information about the private funds that they advise, including organizational and operational information, as well as information about the funds' key service providers. Hence, Form ADV provides the SEC and investors with information about advisers (including private fund advisers) and the funds they manage. It is designed to provide the SEC with information necessary for its investor protection efforts. In contrast, Form PF is primarily designed to facilitate FSOC's assessment of systemic risk, although it is available to assist the Commissions in their regulatory programs for the protection of investors.¹⁹⁰

Past Form PF Amendments. Since its adoption in 2011 pursuant to the Dodd-Frank Act,¹⁹¹ Form PF has been amended several times, including in 2023 and 2024.¹⁹² The 2023

¹⁸² *Id.*

¹⁸³ A private fund adviser is required to file section 2 of Form PF for each qualifying hedge fund it advises if (collectively with its related persons) it had at least \$1.5 billion in hedge fund assets under management as of the last day of any month in the fiscal quarter immediately preceding its most recently completed fiscal quarter. A qualifying hedge fund is any hedge fund with a net asset value (individually or in combination with any feeder funds, parallel funds, and/or dependent parallel managed accounts) of at least \$500 million as of the last day of any month in the adviser's fiscal quarter immediately preceding its most recently completed fiscal quarter. See Form PF General Instructions 3 and 9; Form PF Glossary of Terms (definitions of "large hedge fund adviser" and "qualifying hedge fund").

¹⁸⁴ A private fund adviser is required to file section 3 of Form PF if it advises one or more liquidity funds and it (collectively with its related persons) had at least \$1 billion in combined money market and liquidity fund assets under management as of the last day of any month in the fiscal quarter immediately preceding its most recently completed fiscal quarter. See Form PF General Instructions 3 and 9; Form PF Glossary of Terms (definition of "large liquidity fund adviser").

¹⁸⁵ A private fund adviser is required to file section 4 of Form PF if it (collectively with its related persons) had at least \$2 billion in private equity fund assets under management as of the last day of its most recently completed fiscal year. See Form PF General Instructions 3 and 9; Form PF Glossary of Terms (definition of "large private equity fund adviser"). See also *infra* section III.C.17.

¹⁸⁶ See Form PF sections 2, 3, and 4.

¹⁸⁷ See Form PF General Instruction 3; Form PF sections 5 and 6.

¹⁸⁸ See Form PF General Instruction 9.

¹⁸⁹ Information on Form ADV is available to the public through the Investment Adviser Public Disclosure System, which allows the public to access the most recent Form ADV filing made by an investment adviser. See, e.g., Form ADV, available at <https://www.investor.gov/introduction-investing/investing-basics/glossary/form-adv>; see also Investment Adviser Public Disclosure, available at <https://adviserinfo.sec.gov/>.

¹⁹⁰ See 15 U.S.C. 80b-4(b)(1)(A) and 15 U.S.C. 80b-4(b)(5).

¹⁹¹ See 2011 Form PF Adopting Release.

¹⁹² In May 2023, the SEC amended Form PF section 4, added new sections 5 and 6, and redesignated prior section 5 as section 7 in connection with certain amendments to require event reporting for large hedge fund advisers and all private equity fund advisers and to revise certain reporting requirements for large private equity fund advisers. See May 2023 SEC Form PF Adopting Release. In July 2023, the SEC amended Form PF section 3 in connection with certain money market fund reforms. See July 2023 Form PF Amending Release. In February 2024, the SEC and CFTC jointly adopted amendments to Form PF to enhance information advisers file on Form PF and to improve data quality. See 2024 Form PF Adopting Release. In addition, in July 2014, the SEC amended Form PF section 3 in connection with certain money market fund reforms. See Money Market Fund Reform; Amendments to Form PF, Release No. IA-3879 (Jul. 23, 2014), [79 FR 47736 (Aug. 14, 2014)].

¹⁷⁷ See *infra* section III.C.1.

¹⁷⁸ See *infra* section III.G.

¹⁷⁹ See, e.g., *Nasdaq v. SEC*, 34 F.4th 1105, 1111–14 (D.C. Cir. 2022). This approach also follows SEC staff guidance on economic analysis for rulemaking. See SEC Staff, Current Guidance on Economic Analysis in SEC Rulemaking (Mar. 16, 2012), available at https://www.sec.gov/divisions/riskfin/rsfi_guidance_econ_analy_secrulemaking.pdf ("The economic consequences of proposed rules (potential costs and benefits including effects on efficiency, competition, and capital formation) should be measured against a baseline, which is the best assessment of how the world would look in the absence of the proposed action."); *id.* at 7 ("The baseline includes both the economic attributes of the relevant market and the existing regulatory structure.").

¹⁸⁰ Private fund assets under management are the portion of an adviser's regulatory assets under management that are attributable to private funds it advises. A private fund is any issuer that would be an investment company as defined in section 3 of the Investment Company Act of 1940 but for section 3(c)(1) or 3(c)(7) of that Act. See Form PF Glossary of Terms (definitions of "private fund assets under management" and "private fund").

¹⁸¹ See Form PF General Instruction 3.

amendments added sections 5 and 6 to Form PF requiring, respectively, large hedge fund advisers and all private equity fund advisers to report the occurrence of certain events to the SEC. Section 5 requires large hedge fund advisers to report as soon as practicable (but no later than 72 hours) the occurrence of extraordinary investment losses, certain margin events, counterparty defaults, material changes in prime broker relationships, operations events, and certain events associated with redemptions.¹⁹³ Section 6 directs advisers to private equity funds to report on adviser-led secondary transactions, general partner removal, termination of the investment period, or termination of the fund within 60 days of the end of each calendar quarter.¹⁹⁴

The 2024 amendments, the compliance date of which has been extended multiple times since their adoption,¹⁹⁵ added new questions and modified existing questions to collect more granular data.¹⁹⁶ The following subsections describe questions that constitute a relevant baseline to the proposed amendments to Form PF.

Form PF Instructions. The 2024 amendments changed Form PF's General Instructions, which are applicable to all filers. General Instruction 6 requires advisers to report separately each component fund of master-feeder arrangements, except for feeder funds that invest all of their assets in (i) a single master fund, (ii) U.S. treasury bills, and/or (iii) cash and cash equivalent.¹⁹⁷ General Instruction 7 indicates that advisers must identify any trading vehicles for which the reporting fund holds assets, incurs leverage, or conducts trading or other activities.¹⁹⁸ Additionally, General Instructions 7 and 8 describe when and how an adviser must "look through" a reporting fund's investments in other entities for the purpose of completing various Form PF questions. General Instructions 7 and 8 direct advisers to not look through the reporting fund's investments in other funds or entities (not including trading vehicles) when answering questions, unless the

question instructions direct the adviser to do so.¹⁹⁹

Counterparties. The 2024 amendments introduced new requirements for hedge fund counterparty exposure reporting.²⁰⁰ Specifically, the amendments added requirements for advisers of hedge funds to complete a consolidated counterparty exposure table where they must detail a fund's borrowing, collateral received, lending, and posted collateral for different types of borrowing, lending, and similar transactions, aggregated across all of the fund's counterparties. Question 26 requires a version of this consolidated counterparty exposure table for all hedge fund advisers, except for qualifying hedge funds advised by large hedge fund advisers. Question 41 contains a consolidated counterparty exposure table with more granular requirements than Question 26 and is required to be completed only by large hedge fund advisers for each qualifying hedge fund they advise.²⁰¹ Additional questions ask for more detailed information on hedge funds' most important "debtor" and "creditor" counterparties. Question 42 requires advisers to identify and provide information on counterparties to which reporting funds owed an amount in respect of cash borrowing entries (before posted collateral) equal to or greater than certain thresholds.²⁰² Question 43 requires advisers to identify and provide information on counterparties to which reporting funds had net mark to market counterparty credit exposure, after taking into account collateral received or posted by the reporting fund, equal to or greater than certain thresholds.

Moreover, Form PF requires large hedge fund advisers to report the

percentages of the total amount of collateral and other credit support that counterparties have posted to each of their qualifying hedge funds that (i) may be rehypothecated and (ii) that the reporting fund has rehypothecated.²⁰³

Gross and Netted Investment Exposure. The 2024 amendments increased the amount of information that is required to be reported by advisers to hedge funds regarding their investment exposures. Amendments to section 1c require all hedge fund advisers to report both value traded (in U.S. dollars) and value as of the end of the reporting period for different types of instruments, categorized by trading mode where applicable.²⁰⁴ For large hedge fund advisers, the 2024 amendments require additional information about each qualifying hedge fund's long and short positions by sub-asset class and instrument type.²⁰⁵ Large hedge fund advisers must report the dollar value of the qualifying hedge fund's long and short positions as well as its adjusted (or netted) exposure of long and short positions. The 2024 amendments also require large hedge fund advisers to report industry exposure information via six-digit NAICS codes at the level of each qualifying hedge fund's investment instruments,²⁰⁶ as well as information on the fund's netted and gross exposure to reference assets for each month of the reporting period.²⁰⁷

Turnover and Volatility. The 2024 amendments also require large hedge fund advisers to report turnover information by asset class at a monthly frequency for each qualifying hedge fund they advise.²⁰⁸ The 2024 amendments also augmented the collection of performance data for all reporting funds by requiring aggregated calculated value and monthly volatility of daily log returns if an adviser calculates a market value on a daily basis for any position in the reporting fund's portfolio.²⁰⁹ This new question also asks whether the daily return rates are reported to current or prospective investors and requires information about drawdowns for the reporting fund.

Miscellaneous Instructions. Form PF includes instances of errors or inconsistencies between the General Instructions and individual questions.

¹⁹³ See Form PF section 5.

¹⁹⁴ Advisers are not required to file a section 6 quarterly report if a private equity reporting event did not occur during that calendar quarter. See Form PF section 6.

¹⁹⁵ See *supra* footnote 8.

¹⁹⁶ These unimplemented amendments should be considered as part of the regulatory baseline as they are set to be implemented on October 1, 2026 in the absence of the adoption of the proposed amendments. The effective date for the 2024 amendments was March 12, 2025.

¹⁹⁷ See Form PF General Instruction 6.

¹⁹⁸ See Form PF General Instruction 7; Question 9.

¹⁹⁹ See Form PF General Instructions 7 and 8. The questions for which advisers must look through are explicitly identified in General Instructions 7 and 8 as Questions 32, 33, 35, 36, and 47. The instructions to these questions indicate that reasonable estimates used to report indirect exposures reported in these questions are permissible. The Glossary of Terms includes certain asset class definitions (e.g., "commodities"), as well as the definition of a reference asset, which also pertain to indirect exposures. See *infra* footnote 295.

²⁰⁰ The 2024 amendments also amended Question 18 (then Question 12), which requires filing advisers to provide information on their funds' total borrowing and the types of creditors from which this borrowing is obtained. Large hedge fund advisers are not currently required to complete Question 18 for their qualifying hedge funds.

²⁰¹ See *supra* section II.L; *infra* section III.C.13.

²⁰² Questions 42 and 43 are required for qualifying hedge funds advised by large hedge fund advisers. Questions 27 and 28 are similar to Questions 42 and 43 and are required for all hedge fund advisers, except for qualifying hedge funds advised by large hedge fund advisers.

²⁰³ See Form PF Question 45. This question was not modified by the 2024 amendments and has been in Form PF since its inception.

²⁰⁴ See Form PF Questions 29 and 30.

²⁰⁵ See Form PF Question 32.

²⁰⁶ See Form PF Question 36.

²⁰⁷ See Form PF Question 39 and 40.

²⁰⁸ See Form PF Question 34.

²⁰⁹ See Form PF Question 23(c).

Filers have also indicated certain elements of Form PF that they believe do not provide adequate instruction. These instances constitute part of the relevant baseline to the proposed amendments to Form PF, as described below.

For example, the header for some (but not all) of the sections includes a parenthetical statement indicating the type of filer required to complete the section. Currently, the headings for sections 2 and 3 do not specify who must complete these sections, while the heading for section 4 erroneously indicates that it must be completed by all large private fund advisers. In addition, the instructions for sections 3 and 4 of Form PF mistakenly state that filers may report collectively or separately about the component funds of master-feeder fund structures, as provided in the General Instructions,²¹⁰ while General Instruction 6 requires filers to report such component funds separately, subject to some exceptions. Further, the definition of large private equity fund adviser in the Glossary of Terms erroneously refers to section 4a of Form PF, which does not exist.

General Instruction 15 states that, for Question 25, the numerator used to determine the percentage of net asset value should be measured in the same basis as gross asset value. The placement of this instruction inadvertently creates potentially error-inducing cross references between the Question 25 instructions and the General Instructions. Separately, the instructions in Questions 27 and 42 mention the LEI, but not the legal entity name, of the entities in connection with affiliated counterparties, in contrast to the instructions to Questions 28 and 43. The omission of the legal entity name in these instructions is inconsistent with the inclusion of counterparty legal entity name in the tables included in Questions 27 and 42. In addition, Question 33 asks large hedge fund advisers to report monthly information on the qualifying hedge funds' currency exposure arising from foreign exchange derivatives and all other assets and liabilities of the funds that are denominated in a currency other than the reporting fund's base currency. However, the table in Question 33(a) requires advisers to report both the "long value" and the "short value," while the question text mistakenly requires advisers to report the "net long

value" and the "net short value." Finally, Question 47, which requires large hedge fund advisers to separate the effects of certain market factors on their qualifying hedge funds' portfolios into long and short components, does not include an instruction on appropriate mathematical signage. Some advisers have questioned whether to report short values with a negative value or as an absolute value.²¹¹

2. Affected Parties

The proposed amendments would amend reporting requirements for advisers to private funds and could also affect service providers engaged by private funds or their advisers.

Private fund advisers would be directly affected by the proposed amendments. Advisers that are registered or required to be registered with the SEC and have private fund assets under management of at least \$150 million file Form PF. The filing cadence and the sections completed depend both on the type of funds advised by an adviser and the adviser's assets under management.²¹² All private fund advisers that file Form PF submit more general information in sections 1a and 1b of the form about the private funds they advise.²¹³ Advisers to hedge funds complete section 1c for each hedge fund they advise.²¹⁴ Form PF solicits more detailed information on qualifying hedge funds managed by large hedge fund advisers,²¹⁵ liquidity funds managed by large liquidity fund advisers,²¹⁶ and private equity funds managed by large private equity fund advisers.²¹⁷

Advisers manage assets on behalf of the private funds they advise and typically cover fund operating costs out of these assets. Fees charged to the fund lower the net return that investors receive from the fund. Investors in private funds are thus affected by any regulatory changes, including the reporting requirements of Form PF, affecting the fund adviser's costs to the extent that cost savings or increases are passed through to the funds.²¹⁸

²¹¹ See *supra* section II.P.

²¹² See *supra* section III.B.1.

²¹³ *Id.*

²¹⁴ *Id.*

²¹⁵ *Id.* A qualifying hedge fund is a hedge fund that has a net asset value of at least \$500 million. See Form PF Glossary of Terms (definition of "qualifying hedge fund"). Large hedge fund advisers are also subject to current event reporting under section 5.

²¹⁶ See *supra* section III.B.1.

²¹⁷ *Id.* Private equity fund advisers are also subject to quarterly event reporting under section 6.

²¹⁸ See *infra* footnote 230 and accompanying text.

As of the first quarter of 2025,²¹⁹ the universe of Form PF filers consists of 3,999 advisers that advise 54,039 private funds with approximately \$25.49 trillion in gross asset value ("GAV") and \$16.43 trillion in net assets value ("NAV").²²⁰

Among the private funds managed by advisers registered with the SEC and filing Form PF, hedge funds are the largest category by GAV: hedge fund assets total \$12.59 trillion in aggregate GAV and \$5.42 trillion in aggregate NAV.²²¹ These totals are aggregated over 9,822 funds advised by 1,830 advisers.²²² Of those, 2,076 are qualifying hedge funds advised by large hedge fund advisers and have an aggregate GAV (NAV) of \$10.76 trillion (\$4.33 trillion) managed by 617 advisers.²²³

Private equity funds are the largest category when measured by the number of funds, with 24,986 funds advised by 1,935 advisers.²²⁴ Private equity funds also constitute a sizable portion of private fund assets under management, with an aggregate GAV (NAV) of \$7.94 trillion (\$7.28 trillion).²²⁵ Among these advisers, 541 meet the definition of large private equity fund advisers, managing 10,349 private equity funds with an aggregate GAV (NAV) of \$6.46 trillion (\$6.01 trillion).²²⁶

The remaining categories of funds reported on Form PF are real estate funds, securitized asset funds, liquidity funds, venture capital funds, and other private funds. There are 19,231 such funds.²²⁷ These funds have \$4.96 trillion (\$3.73 trillion) in aggregate GAV (NAV).²²⁸

²¹⁹ Here and throughout this economic analysis, Form PF statistics account for filers whose fiscal year (quarter) does not align with calendar year (quarter) and filers with different reporting cadences (annual vs quarterly). For a description of how these filers are handled, see Private Fund Statistics as of calendar quarter 1 of 2025, <https://www.sec.gov/files/investment/private-funds-statistics-2025-q1.pdf> at Appendix 11.2.

²²⁰ See Private Fund Statistics as of calendar quarter 1 of 2025, <https://www.sec.gov/files/investment/private-funds-statistics-2025-q1.pdf> at Table 1.3, Table 1.1, Table 2.1 and Table 2.3, respectively.

²²¹ *Id.* at Table 2.1 and Table 2.3, respectively.

²²² *Id.* at Table 2.1 and Table 1.3, respectively.

²²³ *Id.* at Table 1.2, Table 2.2, Table 2.4 and Table 1.3, respectively.

²²⁴ *Id.* at Table 1.1 and Table 1.3, respectively.

²²⁵ *Id.* at Table 2.1 and Table 2.3, respectively.

²²⁶ *Id.* at Table 1.3, Table 1.2, Table 2.2 and Table 2.3, respectively.

²²⁷ *Id.* at Table 1.1 (obtained by summing across these remaining categories). As many advisers manage assets for more than one type of private fund reported on Form PF, the number of advisers to these remaining categories cannot be obtained by summing across fund types in Table 1.3.

²²⁸ *Id.* at Table 2.1 and Table 2.3, respectively.

Each dollar amount is obtained by summing across these remaining categories in these Tables.

²¹⁰ See Form PF sections 3 and 4. The instructions for section 2 specify that for such arrangements and structures that comprise qualifying hedge funds, filers must report the component funds as provided in General Instructions 3, 5, and 6. See Form PF section 2.

The proposed amendments to Form PF may also affect service providers that private funds or their advisers hire to perform functions related to completing and filing Form PF. These service providers may assist advisers in populating the form, provide software to compute certain statistics required by the form, or may provide data solutions, among other possible services. Advisers generally choose to retain the services of a service provider when it is more cost effective for the adviser than performing a particular function themselves. Some advisers may reevaluate their choice to retain service providers to assist in filing Form PF in light of the lower expected burdens of the proposed amendments.

C. Benefits and Costs

1. General Considerations

The benefits and costs relative to the baseline are discussed for each of the proposed amendments in the subsections below.²²⁹ In general, the amendments would reduce costs for advisers to private funds that file Form PF, which could ultimately lead to lower fees for investors in these funds. Specifically, the proposed amendments would reduce the set of advisers that would be required to file Form PF, reduce the set of advisers that would be required to complete certain sections of Form PF, and reduce the burden of filing Form PF for advisers that would continue to file the form. Any portion of the associated cost savings of filing Form PF that would not be absorbed by advisers would be passed on to investors via reductions in expenses.²³⁰

The proposed amendments would bring cost reductions to private fund advisers. These benefits would result from (1) fewer advisers that would have Form PF reporting obligations and (2) reduced burdens for advisers that would continue to file Form PF. Burden reduction for private fund advisers would take the form of fewer resources that would be devoted to monitoring, collecting, and reporting information to meet Form PF reporting obligations.

²²⁹ While the proposed amendments could also affect the usefulness of this data for the CFTC, this economic analysis does not include the benefits and costs associated with the CFTC's use of Form PF reporting.

²³⁰ Depending on the agreement between the fund's general partner and limited partners, the way a fund's costs are reflected in its expenses may be direct or indirect. To the extent that the proposed amendments would lower costs to advisers of filing Form PF, including the costs associated with hiring service providers to perform functions related to completing and filing Form PF, these cost-savings could be passed on to investors.

This burden reduction is quantified later in this section.²³¹

The extent of the reduction in costs resulting from the proposed amendments for a specific adviser would also be affected by the number of private funds managed by the adviser.²³² Advisers managing many funds are likely to spend more time and resources on filing Form PF, particularly if many of the funds have characteristics that require individualized attention to file accurate reports. At the same time, advisers managing multiple funds are likely to spread some of the costs associated with filing Form PF across multiple funds. Hence, the reduction in costs per adviser that could result from the proposed amendments may not be proportional to the number of private funds that an adviser manages.²³³

The proposed amendments would reduce the number of advisers that would file Form PF and would eliminate certain questions that would be reported under the baseline.²³⁴ These changes would thus result in less data being available to the regulators that use Form PF.²³⁵ In principle, the loss of this data could affect the monitoring of potential systemic risk and investor protection efforts relating to activities in the private fund industry to the extent

²³¹ See *infra* section III.C.18.

²³² While advisers managing many private funds generally have more private assets under management than advisers managing fewer private funds, the scale and complexity considerations discussed here are distinct from the advisers' Form PF filing obligations that would result from the proposed filing and reporting thresholds. See *infra* section III.C.18 for quantification of cost reductions resulting from the proposed threshold changes.

²³³ For example, if an adviser manages several funds that share service providers and infrastructure, the compliance costs of filing Form PF may be better shared among these funds. The cost savings associated with the proposed amendments would likely be smaller for such funds.

²³⁴ As noted above, the SEC is also proposing to require its staff to report to the SEC on each filing and reporting threshold in the form, assessing whether any should be adjusted, approximately five years after the compliance date for the amendments to the form and approximately every five years thereafter. See *supra* footnote 36. These staff reports would help the SEC periodically evaluate the continued appropriateness of the filing and reporting thresholds in all respects, including whether proposing revisions to the thresholds would be appropriate. This report and related review would be designed to ensure that the form continues to impose minimal filing burdens for small advisers, while continuing to collect data on a significant percentage of private fund assets.

²³⁵ To the extent that SEC staff currently use information on Form PF that would no longer be reported under the proposed amendments to assist with regulatory programs for the protection of investors, the loss of this information could impact staff's ability to implement such activities efficiently. See *supra* text accompanying footnote 190. If staff are unable to substitute other sources of information, including from Form ADV, this could ultimately affect advisers and investors.

that information relevant for such purposes would not be collected under the proposed amendments. However, we expect that the practical effects of the amendments on systemic risk monitoring and investor protection efforts would be small. This is because the vast majority of private fund assets under management are held in private funds advised by advisers that would continue to file Form PF under the proposed \$1 billion threshold.²³⁶ Similarly, the proposed large hedge fund adviser reporting threshold of \$10 billion would have a limited effect on Form PF's coverage of hedge fund assets held in funds advised by large hedge fund advisers.²³⁷ Lastly, the responses to many of the questions that would be eliminated under the proposed amendments carry limited information relevant for systemic risk monitoring,²³⁸ or could partially be inferred from responses to other Form PF questions.²³⁹ Hence, we do not expect that systemic risk monitoring and investor protection efforts would be significantly affected by the proposed amendments.

In the analysis below, we assume that advisers have already incurred the one-time costs necessary to comply with the 2024 amendments.²⁴⁰ However, we recognize that this may not fully be the case for all advisers and that the cost savings associated with the proposed modifications of certain questions may depend on the specific steps an individual adviser has taken in preparation for these amendments ahead of the compliance date.²⁴¹ We also recognize that there might be one-time costs for existing filers of Form PF associated with modifying their systems to reflect the reduced granularity or outright removal of certain information to be reported under the proposed amendments. However, we anticipate that these costs would be insignificant,

²³⁶ See *infra* footnote 244.

²³⁷ See *infra* footnote 260.

²³⁸ See e.g. *infra* sections III.C.9, III.C.14, and III.C.16.

²³⁹ See, e.g., *infra* sections III.C.7, III.C.10, and III.C.12.

²⁴⁰ See 2024 Form PF Adopting Release at section IV.C.2. One exception is in the analysis of cost savings from the proposed amendments to industry concentration reporting in Question 36. For this question, we understand that many large hedge fund advisers have been unable to map some assets to 6-digit NAICS codes. See *infra* section III.C.11.

²⁴¹ For example, an adviser that had fully prepared to report question 23(c) would not avoid the one-time costs associated with its preparation. Except for the proposed increases in filing and large hedge fund adviser reporting thresholds, this analysis does not explicitly consider the likely effects of proposed amendments on future one-time cost savings of advisers that are not currently subject to the requirements being amended.

particularly compared to the cost savings that would ultimately result from these changes.

2. Increase the Filing Threshold for All Form PF Filers

Currently, advisers that are registered or required to be registered with the SEC and that manage one or more private funds must file Form PF if they, collectively with their related persons, have at least \$150 million in private fund assets under management as of the last day of their most recently completed fiscal year.²⁴² The proposed amendments would increase this threshold to \$1 billion.²⁴³ As a result, a number of advisers required to file Form PF under the current Form PF instructions would not be required to file Form PF under the proposed change in filing threshold. Based on Form PF data for the first quarter of 2025, we estimate that the number of Form PF filers would decrease from 3,999 to approximately 2,280.²⁴⁴ The corresponding percentage of private fund gross assets managed by investment advisers registered with the SEC that would be reported on Form PF would decrease from approximately 96 percent to approximately 94 percent.

Benefits

The main benefit of this proposed increase to the Form PF filing threshold would be to eliminate the burden for advisers that would not have to file Form PF under the proposed threshold but who must file Form PF under the current threshold.²⁴⁵ The increased filing threshold would reduce the set of advisers that incur the compliance costs associated with filing Form PF.²⁴⁶ All

advisers with private fund assets under management between \$150 million and \$1 billion would save on the costs associated with the ongoing filing of Form PF.²⁴⁷ In addition, advisers that are not currently required to file Form PF because their private fund assets under management are below \$150 million would avoid the one-time costs associated with filing Form PF for the first time when their private fund assets under management reach this threshold, if this were to occur.²⁴⁸ Advisers below this threshold would also avoid ongoing costs associated with monitoring their private fund assets under management to the extent they keep this amount beneath the current \$150 million filing threshold so that they are not required to file Form PF.²⁴⁹

Costs

The proposed change in the Form PF filing threshold would result in advisers with private fund assets under management below the proposed threshold no longer submitting information on Form PF to the SEC.²⁵⁰ As a result, the proposed amendments could, in theory, affect the understanding and monitoring of systemic risk relating to the private fund industry. However, we expect that this effect would be minimal since the advisers that would no longer be required to file Form PF under the proposed threshold are relatively small and do not manage a significant percentage of private fund assets. We estimate that the percentage of private

fund advisers that advise more hedge funds relative to those that advise fewer, as advisers must complete section 1c for each hedge fund they advise. *See also infra* section IV.A.3.

²⁴⁷ Additionally, the SEC anticipates receiving fewer final filings and temporary hardship requests on an ongoing basis due to the reduced set of advisers that would file Form PF under the proposed filing threshold. The cost savings that would be associated with this decrease are estimated to be \$5,901 (calculated as \$4,879 saved in final filing costs plus \$1,022 saved in temporary hardship costs). *See infra* section III.C.18 at Table 11. *But see infra* footnote 255 and accompanying text.

²⁴⁸ For advisers with private assets under management that would eventually exceed the proposed \$1 billion filing threshold, these one-time costs associated with filing Form PF for the first time would be delayed rather than eliminated.

²⁴⁹ But *see supra* footnote 248.

²⁵⁰ In the first quarter of 2025, the SEC received Form PF filings covering 54,039 funds managed by 3,999 advisers. This represents approximately 83 percent of private funds managed by registered investment advisers and 70 percent of registered private fund advisers, respectively. We estimate that under the proposed filing threshold, the SEC would have received Form PF filings covering 44,312 funds managed by 2,280 advisers. This represents 68 percent of private funds managed by registered investment advisers and 40 percent of registered private fund advisers. *See supra* section II.A.

fund gross assets managed by registered investment advisers reported on Form PF would decrease from approximately 96 percent to approximately 94 percent, or by \$510 million.²⁵¹ A reduction of two percentage points of private fund gross assets reported on Form PF appears to be *de minimis* in the context of monitoring for systemic risk.

The proposed increase in the filing threshold would reduce the number of advisers that would file Form PF.²⁵² We anticipate that any cost to investor protection efforts resulting from this reduction would be small. This is because each adviser that currently files Form PF but would not do so under the proposed threshold would continue to report information about its private funds on Form ADV.²⁵³ Additionally, advisers that would no longer file Form PF would continue to be required under the Adviser's Act to maintain certain enumerated records and reports for each private fund they advise.²⁵⁴

Any adviser that is currently filing Form PF but would not be required to under the proposed amendments would have to make a final filing with the SEC indicating that it would no longer be subject to Form PF's reporting requirements. These final filings are not subject to Form PF requirements, do not carry a filing fee, and entail a small hour burden.²⁵⁵

3. Increase the Reporting Threshold for Large Hedge Fund Advisers

Currently, advisers that have at least \$1.5 billion in hedge fund assets under management on the last day of any month in the fiscal quarter immediately preceding their most recently completed fiscal quarter and that advise at least one qualifying hedge fund (*i.e.*, large hedge fund advisers) must file Form PF on a quarterly basis. Additionally, they must complete section 2 for each qualifying hedge fund that they advise.²⁵⁶ They must also complete

²⁵¹ *See supra* footnote 244.

²⁵² *See supra* footnote 244 and accompanying text.

²⁵³ Form ADV is designed to provide the SEC with information necessary to its investor protection efforts. *See supra* section II.A.

²⁵⁴ *See* 15 U.S.C. 80b-4(b)(3).

²⁵⁵ We estimate that the compliance cost associated with final filings is approximately \$41 per filing. *See infra* section IV.A.3.c) at Table 9. As this cost would be incurred by the approximately 1,719 advisers with private fund assets under management of at least \$150 million and less than \$1 billion, the aggregate cost of these final filings is estimated to be $\$41 \times 1,719 = \$70,479$.

²⁵⁶ Hedge fund assets under management are the portion of an adviser's regulatory assets under management that are attributable to hedge funds that it advises. *See* Form PF General Instruction 3; Form PF Glossary of Terms (definitions of "hedge fund assets under management" and "qualifying hedge fund").

²⁴² *See* Rule 204(b)-1(a); Form PF General Instruction 1.

²⁴³ *See* proposed Rule 204(b)-1(a); proposed Form PF General Instruction 1.

²⁴⁴ Based on data for the first quarter of 2025, 3,999 advisers reported 54,039 private funds on Form PF. These funds collectively held \$25,491 billion in gross assets, representing approximately 96 percent of the private fund gross assets reported by registered investment advisers. We estimate that under the proposed increase in filing threshold, 2,280 advisers would have reported 44,312 private funds on Form PF. These funds collectively held \$24,981 billion in gross assets, representing 94 percent of the private fund gross assets reported by registered investment advisers.

²⁴⁵ *See supra* footnote 244 and accompanying text.

²⁴⁶ *See infra* section III.C.18 at Table 7. Under the proposed amendments, we estimate that the compliance costs of filing Form PF for smaller private fund advisers would be \$31,677 per adviser for initial filings and \$8,700 per adviser for ongoing filings. These costs, and therefore the estimated cost savings per adviser attributable to the proposed filing threshold increase, are averages for smaller private fund advisers and would generally scale with the number of private funds managed. Cost savings would also be higher for smaller private

section 5 upon certain current reporting events with respect to the qualifying hedge funds that they advise.²⁵⁷ The proposed amendments would increase this threshold to \$10 billion.²⁵⁸ As a result, a number of advisers required to file Form PF quarterly and to complete section 2 under the current Form PF instructions would instead be required to file Form PF annually, as applicable, and would not be required to complete section 2. Additionally, these advisers would no longer be subject to section 5 current reporting. Based on data for the first quarter of 2025, we estimate that the number of large hedge fund advisers would decrease from 617 to 227. The percentage of all hedge fund assets managed by registered investment advisers that would be held in hedge funds managed by large hedge fund advisers would decrease from 92 percent to 81 percent.²⁵⁹ The percentage of hedge fund assets managed by registered investment advisers that would be reported in section 2 would decrease from 84 percent to 74 percent.²⁶⁰ The proposed increase in the reporting threshold would also likely decrease the number of section 5 reports filed with the SEC. The exact decrease would depend on the number of reportable events and how these are distributed across large hedge fund advisers by size.²⁶¹

Benefits

The proposed increase in the large hedge fund adviser reporting threshold would reduce the set of advisers that are subject to the additional requirements accompanying that designation. Advisers that would no longer meet the

large hedge fund adviser threshold would file annually instead of quarterly and would no longer complete section 2 or be subject to section 5 current event reporting. The cost savings resulting from each of these filing changes that would result from the proposed increase in large hedge fund reporting threshold would be substantial.

We estimate that 390 advisers with hedge fund assets under management between \$1.5 billion and \$10 billion would no longer incur the costs associated with the ongoing filing of section 2 of Form PF for any qualifying hedge funds they advise.²⁶² While approximately one in every three hedge funds advised by a large hedge fund adviser is a qualifying hedge fund,²⁶³ the requirements associated with completing section 2 are substantially higher than those associated with completing section 1.²⁶⁴ We therefore anticipate that a substantial portion of the cost savings that would result from increasing the large hedge fund adviser threshold would be due to the reduction in the number of section 2 filings.

In addition, hedge fund advisers that are not currently required to complete section 2 because their hedge fund assets under management are below \$1.5 billion would avoid the one-time and ongoing costs associated with completing section 2 if their hedge fund assets under management reach this threshold. Similarly, large hedge fund advisers with less than \$10 billion in hedge fund assets under management that do not advise any qualifying hedge funds would avoid the one-time and ongoing costs associated with completing section 2 if any of their hedge funds become qualifying hedge funds.²⁶⁵ Finally, advisers below the current \$1.5 billion threshold would

also avoid ongoing costs associated with monitoring their hedge fund assets under management to the extent they keep this amount beneath the current \$1.5 billion filing threshold so that they are not required to complete section 2 (and section 5, when applicable) of Form PF or to file Form PF quarterly.

Hedge fund advisers that are classified as large hedge fund advisers under the current threshold would also benefit from the proposed threshold increase by lowering the frequency with which they file Form PF to the extent such advisers would not fall into the category of large hedge fund advisers under the proposed threshold. Specifically, large hedge fund advisers must file Form PF quarterly for each private fund they advise.²⁶⁶ The burden reductions that would result from no longer filing section 1 on a quarterly basis would be substantial for large hedge fund advisers that manage multiple non-qualifying hedge funds or private funds that are not hedge funds.²⁶⁷

Lastly, large hedge fund advisers are required to submit section 5 reports following the occurrence of certain events at their qualifying hedge funds, including extraordinary investment losses, certain margin events, counterparty defaults, material changes in prime broker relationships, operations events, and certain events associated with redemptions.²⁶⁸ Increasing the threshold which defines a large hedge fund adviser would result in fewer advisers being subject to section 5 reporting. As a result, advisers with hedge fund assets under management between \$1.5 billion and \$10 billion and advising at least one qualifying hedge fund would save on the ongoing costs of collecting and reporting information on these events.²⁶⁹

In total, we estimate that the reduction in per-adviser compliance costs of filing Form PF for advisers that currently meet the definition of large hedge fund advisers but that would not

²⁵⁷ See Form PF General Instruction 3.

²⁵⁸ See *supra* section II.B.

²⁵⁹ See *supra* section II.B at Table 4. This represents a decrease in hedge fund gross assets managed by large hedge fund advisers from \$11,801 billion to \$10,435 billion. The corresponding number of hedge funds advised by large hedge fund advisers would decrease from 6,087 to 4,265. Each fund affected by this change would be reported on Form PF annually rather than quarterly. Additionally, affected hedge funds that are also qualifying hedge funds would no longer be reported on section 2 of Form PF. See *infra* footnote 260.

²⁶⁰ See *supra* section II.B at Table 5. In the first quarter of 2025, 617 advisers reported 2,076 qualifying hedge funds on Form PF. These funds collectively held \$10,759 billion in gross assets, representing approximately 84 percent of the hedge fund gross assets reported by registered investment advisers. We estimate that under the proposed increase in threshold, 227 advisers would have reported 1,378 qualifying hedge funds on Form PF. These funds collectively held \$9,493 billion in gross assets, representing approximately 74 percent of the hedge fund gross assets reported by registered investment advisers.

²⁶¹ We estimate that increasing the reporting threshold would reduce the number of section 5 reports from approximately 258 to approximately 94 per year. See *infra* section III.C.18 at Table 9.

²⁶² 390 is obtained as the difference between 617 and 227. See *supra* footnote 260 and accompanying text. Additionally, the SEC anticipates receiving fewer transition filings on an ongoing basis due to the reduced set of advisers that would be classified as large hedge fund advisers under the proposed reporting threshold. The cost savings that would be associated with this decrease are estimated to be \$1,230. See *infra* section III.C.18 at Table 11. But see *infra* footnote 282 and accompanying text.

²⁶³ This would be true under both the baseline and the proposed reporting threshold. Under the baseline, large hedge fund advisers complete section 2 of Form PF for 2,076 of the 6,087 hedge funds they advise. Under the proposed amendments, we estimate that large hedge fund advisers would complete section 2 for 1,378 of the 4,265 hedge funds they advise. See *supra* footnotes 259 and 260.

²⁶⁴ For instance, large hedge fund advisers must provide the effect of several market factor changes on the long and short components of the portfolio net asset value for each qualifying hedge fund they advise. See Form PF Question 47. No analogous information is required about non-qualifying hedge funds in section 1c. See also *infra* footnote 273.

²⁶⁵ See *supra* footnote 215.

²⁶⁶ See Form PF General Instruction 9.

²⁶⁷ See *infra* section III.C.18 at Table 6. Under the proposed amendments, we estimate that the compliance cost of an ongoing filing for smaller private fund advisers, that is, for advisers that are required to complete only section 1 of Form PF, would be \$8,700.

²⁶⁸ See Form PF section 5.

²⁶⁹ See *infra* section III.C.18 at Table 9. Advisers with between \$1.5 billion and \$10 billion in hedge fund assets under management would save approximately \$8,873 each time one of their qualifying hedge funds experiences an event that would require them to file a section 5 report under the baseline but not under the proposed amendments.

under the proposed amendments would be \$49,875 per filing.²⁷⁰

Costs

The proposed amendments would reduce the set of large hedge fund advisers.²⁷¹ Private fund advisers with hedge fund assets under management that exceed the current large hedge fund adviser threshold but are below the proposed threshold would no longer be required to complete section 2,²⁷² which requires more granular information for each of their qualifying hedge funds.²⁷³ In addition, the Commissions and FSO would receive information annually rather than quarterly for approximately 1,124 non-qualifying hedge funds that are managed by advisers that would no longer be considered large hedge fund advisers under the proposal.²⁷⁴ Both of

these reductions would reduce the information available to monitor risks in the hedge fund industry, which could, in principle, affect the monitoring of systemic risk. For example, hedge funds advised by smaller private fund advisers may, in some cases, experience liquidity stress sooner than the hedge funds advised by advisers that would continue to meet the definition of large hedge fund advisers,²⁷⁵ or they could have returns that are sufficiently correlated with each other to collectively carry systemic risk concerns.²⁷⁶

However, we expect that the potential effect on systemic risk monitoring would be mitigated by the fact that the section 2 filings would still cover a large percentage of hedge fund assets reported by registered investment advisers.²⁷⁷ A still larger percentage of those assets would continue to be reported quarterly on section 1 of Form PF as they would be advised by advisers with hedge fund assets under management of at least \$10 billion.²⁷⁸ In addition, filing advisers with hedge fund assets under management that are less than \$10 billion would continue to provide information in section 1c about the hedge funds they advise on an annual basis.²⁷⁹

Additionally, under the proposed large hedge fund adviser threshold, advisers with hedge fund assets under management between \$1.5 billion and \$10 billion would not submit section 5

threshold increase is therefore 1,124 (4,011 minus 2,887).

²⁷⁵ See, e.g., Mathis S. Krutli et al., *The Life of the Counterparty: Shock Propagation in Hedge Fund-Prime Broker Credit Networks* (Off. Fin. Rsch., Working Paper No. 19-03, 2019), available at https://www.financialresearch.gov/working-papers/files/OFRwp-19-03_the-life-of-the-counterparty.pdf (finding that large hedge funds can more easily obtain borrowing from alternate prime brokers following a prime broker liquidity shock). Large hedge fund advisers' hedge funds are generally larger than smaller private fund advisers' hedge funds (averaging \$0.9 billion in GAV for advisers with hedge fund assets under management between \$1.5 billion and \$10 billion and advising at least one qualifying hedge fund vs \$2.1 billion in GAV for advisers with hedge fund assets under management above \$10 billion and advising at least one qualifying hedge fund).

²⁷⁶ Large hedge fund advisers that complete Form PF for qualifying hedge funds implementing equity strategies (equity long/short and/or equity market neutral) for more than 50% of their assets would be disproportionately affected by the proposed increase in threshold compared to funds that follow other strategies. While the total number of funds reported on section 2 would decrease by 34%, from 2,076 to 1,378, under the proposed increase in the large hedge fund adviser reporting threshold, the number of equity funds reported on section 2 would decrease by 56%, from 530 to 234. To the extent that these funds hold similar positions, their returns may be sufficiently correlated to collectively carry systemic risk concerns.

²⁷⁷ See *supra* footnote 260.

²⁷⁸ See *supra* footnote 259.

²⁷⁹ See Form PF section 1c.

reports. Visibility into the events that trigger these reports and that may have implications for systemic risk monitoring would thus be reduced. For instance, a qualifying hedge fund that experiences a margin increase of 20 percent of its average daily aggregate calculated value would not be visible via Item C of section 5 if its adviser manages less than \$10 billion in hedge fund assets. As a result, regulators could, in principle, miss an early signal of a broader trend or circumstance affecting multiple hedge funds and which could ultimately contribute to systemic events.²⁸⁰ However, we expect this effect would be mitigated due to the relatively modest drop in aggregate hedge fund assets managed by advisers that would be affected by the proposed increased threshold.²⁸¹ For instance, in the example given above, if the margin increase is the result of market factors that affect other qualifying hedge funds, it is more likely that the event would be captured by current event reports filed by hedge funds managed by advisers with private fund assets under management above the proposed reporting threshold.

Lastly, any adviser that is currently filing Form PF as a large hedge fund adviser but would not meet the definition of large hedge fund adviser under the proposed amendments would have to make a transition filing with the SEC indicating that it would no longer be obligated to report on a quarterly basis. These transition filings are not subject to Form PF requirements, do not carry a filing fee, and entail a small hour burden.²⁸²

We anticipate that any adverse effect to investor protection resulting from the proposed increase in the large hedge fund adviser threshold would be small. This is because advisers with hedge fund assets under management above the current \$1.5 billion threshold and below the proposed \$10 billion threshold would file section 1 of Form PF annually, providing information about the hedge funds they advise. These advisers would also continue to report on Form ADV information about the private funds they advise. Hence the SEC would continue to receive

²⁸⁰ See *supra* footnotes 275 and 276.

²⁸¹ See *supra* footnote 260.

²⁸² We estimate that the compliance cost associated with transition filings is approximately \$41 per filing. See *infra* section IV.A.3.c) at Table 9. As this cost would be incurred by the approximately 390 advisers with hedge fund assets under management of at least \$1.5 billion and less than \$10 billion and advising at least one qualifying hedge fund, the aggregate cost of these transition filings is estimated to be \$41 × 390 = \$15,990. See *supra* footnote 262 and accompanying text.

²⁷⁰ See *infra* section III.C.18 at Tables 6 and 7. We estimate that the reduction in compliance costs of filing Form PF for advisers that currently meet the definition of large hedge fund advisers but that would not under the proposed amendments would be \$49,875 (\$58,575 minus \$8,700) per adviser for ongoing filings. These estimated cost savings are derived from averages for large hedge fund advisers as well as smaller private fund advisers and would generally scale with the number of private funds managed. See also *infra* section IV.A.3.

²⁷¹ As of the first quarter of 2025, the SEC received Form PF filings from 617 large hedge fund advisers, representing 26 percent of registered investment advisers that advise hedge funds. We estimate that under the proposed reporting threshold for large hedge fund advisers, the SEC would have received 227 filings from large hedge fund advisers, representing 9 percent of registered investment advisers that advise hedge funds.

²⁷² As of the first quarter of 2025, the SEC received Form PF filings for 2,076 qualifying hedge funds. This represents 17 percent of hedge funds advised by registered investment advisers. We estimate that under the proposed reporting threshold for large hedge fund advisers, the SEC would have received filings for 1,378 qualifying hedge funds. This represents 11 percent of hedge funds advised by registered investment advisers.

²⁷³ For instance, while some information on counterparty exposure is collected from all hedge funds managed by private fund advisers that file Form PF (Questions 26 and 27), a large hedge fund adviser reports more granular counterparty information in section 2 (Questions 42 and 43) for each counterparty to which the adviser's qualifying hedge funds face exposures exceeding certain levels. While the questions relating to counterparty exposures would be modified under the proposed amendments, this would continue to be true. Additionally, large hedge fund advisers report exposure to various sub-asset classes on section 2 (Question 32) by instrument type for each of their qualifying hedge funds, while section 1c contains only information on how hedge fund exposures are financed (Questions 18, 19, and 26).

²⁷⁴ Under the current large hedge fund adviser threshold, of the 6,087 hedge funds advised by large hedge fund advisers, 2,076 are qualifying hedge funds and 4,011 are not qualifying hedge funds. Under the proposed large hedge fund adviser reporting threshold, there would be 4,265 hedge funds advised by large hedge fund advisers, of which 1,378 would be qualifying hedge funds and 2,887 would not be qualifying hedge funds. The number of hedge funds for which large hedge fund advisers currently file quarterly for section 1 only but would be reported annually under the proposed

information supporting its investor protection efforts.

4. Disregarded Feeder Funds

The Commissions are proposing to amend General Instruction 6 to include a *de minimis* threshold when determining whether a feeder fund is separately reportable or could be disregarded. Currently, advisers to funds structured as master-feeder arrangements must separately report each component fund except for feeder funds that invest only in (i) a single master fund, (ii) U.S. treasury bills, and/or (iii) cash and cash equivalents (a disregarded feeder fund). The proposed amendments to General Instruction 6 would permit an adviser to apply the exception from separate reporting if the feeder fund does not invest more than five percent of its gross asset value in investments that are not in a single master fund, U.S. treasury bills, and/or cash and cash equivalents.²⁸³

Benefits

The proposed amendments to General Instruction 6 could decrease the number of feeder funds that would be reported separately on Form PF, which would decrease the burden for advisers that would no longer need to report their master funds' feeders separately.²⁸⁴ The extent of this reduction would depend on the number of feeder funds that make non-zero but no more than five percent of their gross asset value in investments outside of a single master fund, U.S. treasury bills, and/or cash and cash equivalents and on the number of advisers that would choose to not report separately these feeder funds as a result of the proposed amendment. For instance, the decrease in the number of feeder funds that would be reported separately would be limited if most feeder funds invest either entirely in the current categories for disregarded funds or do not fall within the proposed *de minimis* category. However, the cost savings for advisers to feeder funds that are not disregarded feeder funds under the current requirements but that would fall within the proposed *de minimis* category could be substantial as these advisers would no longer need to disaggregate these feeder funds in their reporting and would no longer need to complete their applicable Form PF

sections in their entirety for these funds.²⁸⁵

The cost savings that would accrue from reducing the number of feeder funds that would be reported separately would be partially mitigated by the "look through" requirements associated with reporting at the level of the master fund. Specifically, General Instruction 6 requires that advisers "look through" to any disregarded feeder funds' investors in responding to several Form PF questions.²⁸⁶ For instance, even if a feeder fund falls within the *de minimis* category and would not have to be reported separately under the proposed amendments to General Instruction 6, the adviser would still need to look through to the disregarded feeder's investors when specifying the approximate percentage of the master fund's equity that is beneficially owned by various categories of investors.²⁸⁷

Costs

The proposed amendments would permit advisers of feeder funds with investments of no more than five percent of the feeder fund's gross asset value in assets other than a single master fund, U.S. treasury bills, and/or cash and cash equivalents to aggregate their reporting in the master fund's reporting rather than reporting separately. As a result, there would be reduced visibility into the exposures of feeder funds that would be aggregated under the proposed amendments, which could, in principle, limit access to information potentially relevant to systemic risk monitoring. For instance, current Form PF includes certain counterparty exposure information for any feeder fund that makes investments outside of a single master fund, U.S. treasury bills, and/or cash and cash equivalents.²⁸⁸ Under the proposed amendments, if these investments account for no more than five percent of the feeder fund's gross asset value, the adviser could choose to aggregate the feeder fund's investments with the master fund's investments for the purpose of reporting this counterparty exposure information. Such aggregation could, in principle, obscure visibility into the risk profiles of certain complex fund structures and thus could affect

systemic risk monitoring.²⁸⁹ However, the proposed five percent threshold is *de minimis*, and therefore it is unlikely that aggregation would meaningfully obscure counterparty or other types of risk in master-feeder fund structures, particularly given the requirement that advisers "look through" to any disregarded feeder funds' investors in responding to several Form PF questions.²⁹⁰ Additionally, since the adoption of the 2024 amendments, filers have indicated that disaggregated reporting of master-feeder funds in these *de minimis* cases would not reflect how advisers to these structures manage risk internally, which could affect the accuracy of the reported data.²⁹¹ Accordingly, the value of disaggregated reporting for systemic risk monitoring may be muted, particularly for investment exposures of less than five percent of the feeder fund's gross asset value. Hence, we do not expect that the cost of the proposed amendment to allow greater aggregation would be significant.

5. Eliminate the Look Through Requirement

The Commissions are proposing to amend General Instructions 7 and 8, the instructions to Questions 32, 33, 35, 36, and 47, and certain definitions in the Glossary of Terms that refer to positions held indirectly.²⁹² In reporting indirect exposures of the reporting fund in response to Questions 32, 33, 35, 36, and 47, General Instructions 7 and 8 require advisers to "look through" the reporting fund's investments in certain entities.²⁹³ By contrast, the instructions under each of these questions indicate that reasonable estimates that "best represent" the exposures reported in these questions are permissible.²⁹⁴ Additionally, the Glossary of Terms includes definitions that direct advisers to look through to indirect exposures to such assets held through another entity.²⁹⁵ Moreover, the Glossary of

²⁸⁹ See 2024 Form PF Adopting Release, section II.A.1.

²⁹⁰ See *supra* footnote 286.

²⁹¹ See *supra* section II.C.

²⁹² See *supra* section II.D.

²⁹³ The look through requirement in General Instruction 7 pertains to a fund's investments in private funds and trading vehicles, while the look through requirement in General Instruction 8 pertains to a fund's investments in funds or other entities that are not private funds or trading vehicles. Before the 2024 amendments, advisers were not required to but had the option to "look through" a reporting fund's investments in other entities. See *supra* section II.D.

²⁹⁴ See Instructions to Questions 32, 33, 35, 36, and 47.

²⁹⁵ See Form PF Glossary of Terms (definitions of "agency securities," "commodities," "convertible

Continued

²⁸³ See *supra* section II.C.

²⁸⁴ General Instruction 6 applies to all private fund advisers filing Form PF. Under the proposed amendments, we estimate that there would be approximately 2,280 such advisers, advising approximately 44,312 private funds. See *supra* sections III.B.2 and III.C.2. We estimate that approximately 19 percent of private funds advised by registered investment advisers are either a master or a feeder in a master-feeder structure.

²⁸⁵ Industry members have highlighted that the burdens of disaggregating feeder funds in their reporting can be significant. See *supra* section II.C. In addition, see *infra* section III.C.18 for estimates of cost savings associated with no longer filing Form PF.

²⁸⁶ These questions are Questions 21–22, 51–53, and 59–64. See Form PF General Instruction 6.

²⁸⁷ See Form PF Question 22.

²⁸⁸ See Form PF Question 26.

Terms defines a reference asset as a security or other investment asset to which a fund is exposed, for example through direct ownership, synthetically, or through indirect ownership. Advisers can identify reference assets based on their internal methodologies and the conventions of service providers, as long as the methodologies and conventions are consistently applied and do not conflict with any instructions or guidance relating to Form PF and reported information is consistent with information reported internally and to investors and counterparties.

Under the proposed amendments to General Instructions 7 and 8, where selected questions require advisers to report indirect exposure resulting from positions held in other entities (including other private funds), advisers would be permitted to provide indirect exposures based on reasonable estimates that are consistent with their internal methodologies and conventions of service providers.²⁹⁶ The Commissions also propose conforming amendments to the instructions on reporting indirectly held exposure under these questions. Specifically, the Commissions propose to remove the instructions that reasonable estimates used to report indirect exposures and that an indirectly held entity position in a sub-asset class and instrument type must “best represent” the exposure of the entity or the sub-asset class exposure of the indirectly held entity.²⁹⁷ Additionally, the Commissions propose to revise definitions of certain asset classes in the Form PF Glossary of Terms to explicitly subject those definitions to the proposed General Instructions 7 and 8.²⁹⁸ The

Commissions also propose to amend the Form PF Glossary of Terms to remove the words “and do not conflict with any instructions or guidance relating to this Form” in the definition of reference asset.²⁹⁹

Benefits

Removing the requirement in the instructions to Questions 32, 33, 35, 36, and 47 that reasonable estimates of indirect exposures “best represent” the exposure of the entity would result in cost savings for large hedge fund advisers.³⁰⁰ Specifically, an estimate that “best represents” a fund’s indirect exposure for the purposes of these questions is likely to be more costly for the fund’s adviser to compute than would be an estimate not requiring this standard. Therefore, eliminating the “best represent” standard in the specific questions could decrease the cost burden of completing Form PF.³⁰¹

More generally, Form PF General Instructions 7 and 8 currently indicate that advisers must look through the fund or entity (as applicable) when answering these questions. Accordingly, some advisers have expressed concern that looking through a position in another entity to identify and calculate a particular exposure is costly and not always feasible.³⁰² For instance, Question 32(b)(1) asks for information on adjusted exposure to fixed income reference assets grouped by maturity buckets, where the definition of a reference asset includes assets owned indirectly.³⁰³ Advisers have indicated that assessing indirect exposure to each underlying investment of an ETF that tracks a broad index could require analyzing dozens or hundreds of assets.³⁰⁴ Aside from the burdens of this

analysis, some advisers have indicated that the information required to complete these questions is outside of the adviser’s control, and that they have limited access to information about underlying investments of third party entities that a reporting fund may be invested in.³⁰⁵ Therefore, specifying in General Instructions 7 and 8 that advisers may provide reasonable estimates of indirect exposures that are consistent with their existing internal methodologies and the conventions of their service providers would substantially reduce large hedge fund advisers’ cost burden associated with completing these questions. The proposed amendments to certain asset definitions and the definition of “reference asset” would likewise apply the reasonable estimates that would be permitted by General Instructions 7 and 8 with respect to these definitions as well.³⁰⁶ The Commissions also propose to amend the Form PF Glossary of Terms to remove the words “and do not conflict with any instructions or guidance relating to this Form” in the definition of reference asset. We expect that this proposed amendment would help filers understand the requirements, which could decrease their compliance costs associated with the relevant questions.

Costs

The proposed changes to General Instructions 7 and 8 and to various question instructions and definitions relating to reference assets or indirectly held positions in the Glossary of Terms would permit advisers to report indirect exposures in response to certain questions based on reasonable estimates that are consistent with the adviser’s internal methodologies and conventions of service providers. The proposed changes therefore would likely result in less granular reporting relative to the baseline. This change could, in principle, result in a decrease in the level of specificity and comparability of indirect exposures reported by advisers on Form PF, which in turn could reduce the utility of this information in some cases. For instance, if an adviser used a reasonable estimate under the proposed changes to the Form instructions that would result in substantially less granular information being reported relative to what it would have reported under the current instructions, that information could be less useful for systemic risk analysis. However, based on input received from filers, we understand that the operational

bonds,” “corporate bonds,” “GSE bonds,” “leveraged loans,” “listed equity,” “other commodities,” “sovereign bonds,” “unlisted equity,” and “U.S. treasury securities”).

²⁹⁶ These questions are Questions 32, 33, 35, 36, and 47. See proposed Form PF General Instructions 7 and 8. The proposed amendments would eliminate Question 32(b)(2) of Form PF, but the amendments to the “look through” requirements would still apply to the remaining part of Question 32. See *supra* section II.H; *infra* section III.C.9. In addition, Questions 39 and 40 require reporting of exposure to reference assets, which are defined to include exposure obtained indirectly. See Form PF Glossary of Terms (definition of “reference asset”). These two questions would be eliminated under the proposed amendments. See *supra* section II.K; *infra* section III.C.12. This proposal, however, would retain the instruction in current General Instruction 7 that advisers must include (look through to) the trading vehicle’s holdings for all questions answered by the reporting fund.

²⁹⁷ See proposed Form PF Questions 32, 33, 35, 36, and 47.

²⁹⁸ See proposed Form PF Glossary of Terms (definitions of “agency securities,” “commodities,” “convertible bonds,” “corporate bonds,” “GSE bonds,” “leveraged loans,” “listed equity,” “other

commodities,” “sovereign bonds,” “unlisted equity,” and “US treasury securities”). Relatedly, the Commissions propose conforming amendments to Questions 32 and 47 to align them with the proposed General Instructions 7 and 8. See *supra* footnote 57 and accompanying text.

²⁹⁹ In addition, the Commissions propose to further amend the definition of reference asset in order to help filers understand that the list given in the definition contains examples, and not a prescriptive or comprehensive list, of ways a reporting fund may have exposure to a reference asset. See *supra* footnote 59.

³⁰⁰ Instruction on “look through” apply to all private fund advisers filing Form PF. Under the proposed amendments, we estimate that there would be approximately 2,280 such advisers, advising approximately 44,312 private funds. See *supra* sections III.B.2 and III.C.2. See also *infra* section III.C.18 for estimates of cost savings associated with the proposed amendments.

³⁰¹ The conforming changes to certain related definitions would have similar effects. See *supra* footnote 298 and text accompanying footnote 299.

³⁰² See *supra* section II.D.

³⁰³ See Form PF Glossary of Terms (definition of “reference asset”).

³⁰⁴ See *supra* section II.D.

³⁰⁵ *Id.*

³⁰⁶ See *supra* footnote 298.

challenges posed by the current look-through instructions would likely, in practice, result in advisers relying on internal assumptions and estimates to comply with Form PF's requirements.³⁰⁷ As a result, the current look-through requirements in General Instructions 7 and 8 and the instructions to Questions 32, 33, 35, 36, and 47 may not in practice result in greater granularity and comparability of the resulting data, limiting its incremental value for systemic risk analysis. Hence, we do not expect that these proposed changes would adversely limit the utility of these questions for systemic risk monitoring. For the same reason, we likewise anticipate that the proposed changes to the "look through" instructions would not adversely affect investor protection.

6. Trading Vehicles

Question 9 must be completed by all Form PF filers and it must be completed separately for each private fund that an adviser advises. It was added to Form PF as part of the 2024 amendments.³⁰⁸ The question requires advisers to provide information about each trading vehicle through which a fund holds assets, incurs leverage, or conducts trading or other activities.³⁰⁹ The information required includes identifying information such as legal name, as well as information on the type of activity performed by the fund through the trading vehicle. The proposed amendments would reduce the scope of trading vehicles for which advisers must complete Question 9. Specifically, the proposed amendments would require advisers to identify only trading vehicles that are (1) listed or required to be listed in section 7.B. of Schedule D of Form ADV (either the adviser's or another adviser's) or (2) included or required to be included in a response to Questions 27, 28, 42, 43, or 44 of Form PF.³¹⁰

Benefits

The proposed change to Question 9 would reduce the burden for advisers by narrowing the set of trading vehicles that would need to be identified on this question.³¹¹ In general, the cost savings

to each adviser from this amendment to Question 9 would depend on the number of trading vehicles used by each fund it advises. We understand that some funds have structures that involve multiple trading vehicles, including potentially several hundred of them.³¹² This could result in significant compliance costs for advisers as Question 9 requires advisers to enter individualized information about each trading vehicle. We also understand that many of these trading vehicles are passive entities, and that, as such, they are unlikely to be reported either on Form ADV or elsewhere on Form PF.³¹³ Hence, we expect that the decrease in the cost for advisers of completing Question 9 resulting from the proposed change would be most significant for those advisers that advise funds with a large number of trading vehicles that are not listed (or required to be listed) in section 7.B. of Schedule D of Form ADV or included (or required to be included) in a response to Questions 27, 28, 42, 43, or 44 of Form PF. Conversely, the decrease in cost would be least significant or non-existent for advisers that advise funds with only a few or no such trading vehicles.³¹⁴

Costs

The proposed change to Question 9 would result in no information being reported by private fund advisers on some trading vehicles they use to hold assets, incur leverage, or conduct trading or other activities. It would therefore result in reduced visibility into private funds' structure and reliance on trading vehicles. Because more fulsome visibility can enhance systemic risk assessment and investor protection efforts, the decrease in information could impact these activities.

However, we expect that this cost would be substantially mitigated by the fact that advisers would still provide information on trading vehicles that also appear (or are required to appear) in Questions 27, 28, 42, 43, or 44 of Form PF.³¹⁵ Questions 27 and 28 of Form PF must be completed separately for each hedge fund that an adviser advises. Questions 42, 43, and 44 must be completed separately by large hedge fund advisers for each qualifying hedge

fund that they advise. These questions require the adviser to identify significant creditors or counterparties to which a fund is exposed.³¹⁶ The questions also require the adviser to indicate the name and the LEI of the entity that has direct exposure to the creditor or counterparty. Hence, any trading vehicle that incurs leverage or conducts trading or other activities as part of a hedge fund's investment activities resulting in significant exposure to creditors or counterparties is currently required to be identified by advisers in those questions and would therefore continue to be included in Question 9 under the proposed change.

We also anticipate that the reduced scope resulting from the proposed amendment to Question 9 would exclude trading vehicles whose reporting provides limited utility to systemic risk monitoring and investor protection efforts. Private funds are typically structured using various legal entities to limit liability of fund advisers and investors, enhance tax efficiency for the fund's varied investor base, and for other purposes.³¹⁷ The details of these structures may not be beneficial for a complete understanding of a fund's exposures or other considerations pertinent to an analysis of systemic risk or as a signal of potential investor harm.³¹⁸ Hence, we do not expect that this proposed change would significantly affect the assessment and monitoring of systemic risk or investor protection.

7. Eliminate Form PF Question 23(c) Volatility Reporting

Question 23(c) is in section 1b of Form PF, which applies to all filing private fund advisers and must be completed separately for each private fund that an adviser advises. Question

³¹⁶ For example, Question 42 requires the adviser to identify and provide information about each creditor or other counterparty to which the reporting qualifying hedge fund owed an amount in respect of cash borrowing entries which is equal to or greater than either (1) 5 percent of net asset value or (2) \$1 billion. The proposed amendments would modify Questions 42 and 43. Amended Questions 42 and 43 would still require advisers to identify significant creditors or counterparties to which a fund is exposed. See *supra* section II.L; *infra* section III.C.13.

³¹⁷ For instance, a special purpose entity or special purpose vehicle may hold assets so that they are bankruptcy remote.

³¹⁸ For instance, a master fund in a master-feeder structure would typically be the counterparty for its trading activity and associated use of leverage. Any trading vehicles in which the master fund holds assets for an ancillary purpose (e.g., for tax efficiency) is less likely to be pertinent to analyzing systemic risk or for investor protection. If, on the other hand, the master fund uses a trading vehicle to actively trade and incur leverage, that trading vehicle would potentially be relevant to analyzing systemic risk.

³⁰⁷ See *supra* section II.D.

³⁰⁸ See *supra* section II.E.

³⁰⁹ See Question 9 of Form PF.

³¹⁰ See *supra* section II.E. Under the proposed amendments, General Instruction 7 would also be amended to conform with the amended instruction to Question 9.

³¹¹ Question 9 applies to all private funds advisers that are required to file Form PF. Under the proposed amendments, we expect that there would be approximately 2,280 such advisers, advising approximately 44,312 private funds. See *supra* sections III.B.2 and III.C.2.

³¹² See *supra* section II.E.

³¹³ *Id.*

³¹⁴ See *infra* section III.C.18 for estimates of cost savings associated with the proposed amendments.

³¹⁵ Advisers would also continue to report information on trading vehicles that also appear in section 7.B of Schedule D of Form ADV. This information is useful to determine whether a fund identified by an adviser as a private fund in Form ADV is the trading vehicle of a private fund for which Form PF has been filed.

23(c) more specifically must be completed by advisers that calculate a market value on a daily basis for any position in a private fund's portfolio.³¹⁹ The question, which was adopted in the 2024 Form PF amendments, requires advisers to report (1) the "reporting fund aggregate calculated value" at the end of the reporting period and (2) the reporting fund's volatility of the natural log of its daily rate-of-return for each month of the reporting period.³²⁰ The question also asks for other statistics derived from the fund's daily rate-of-return. The proposed amendments would eliminate Question 23(c) of Form PF.³²¹

Benefits

All filing advisers that calculate market values for any of their funds' portfolio positions daily would benefit from this proposed change via lower costs.³²² The proposed elimination of Question 23(c) would reduce the costs associated with completing Question 23(c). These costs include the time and resources spent by advisers to compute a prescribed value for the positions of the fund's portfolio. Question 23(c) requires the calculation of the reporting fund's aggregate calculated value, which is the value of every position in the portfolio, including the value of cash and cash equivalents, short positions, and any fund-level borrowing. For the positions that are valued less frequently than daily, advisers are instructed to carry forward the last price. For positions that are not valued in U.S. dollars, a daily foreign exchange rate can be applied to the carried-forward price.³²³ The costs also include the time and resources to calculate the aggregated value of the portfolio from the individual position values and to compute the daily rate-of-return and other statistics to be reported in the question. Industry members have indicated that completing Question 23(c) can be burdensome for advisers,

especially for those that calculate this information for master-feeder structures at the master fund level or have to translate the information from an internal methodology to comport with the methodology prescribed in this question.³²⁴ We expect that the decrease in costs resulting from the proposed elimination of Question 23(c) would be most significant for such advisers.³²⁵ We expect that there would be no decrease in costs for advisers that do not calculate a market value on a daily basis for any position in their funds, since these advisers are not required to complete Question 23(c).³²⁶

The cost savings that would accrue from the proposed elimination of Question 23(c) could be mitigated for some advisers by some of the requirements in section 5 of Form PF. Large hedge fund advisers to qualifying hedge funds are required to file a current report with the SEC when their qualifying hedge funds experience certain stress events.³²⁷ One such stress event is an extraordinary investment loss. If, on any business day, the 10-business day holding period return of a fund is less than or equal to negative 20 percent, the fund's adviser is required to file a current report.³²⁸ The holding period return is calculated from the daily rate-of-return, which is itself calculated from the aggregate calculated value of the reporting fund.³²⁹ Hence, to the extent that large hedge fund advisers to qualifying hedge funds would use identical or similar calculations when monitoring extraordinary investment losses requiring the filing of section 5 and for completing Question 23(c), the decrease in costs resulting from the proposed elimination of Question 23(c) would not be as significant for these advisers as for other advisers.

Costs

The proposed elimination of Question 23(c) would result in advisers submitting less information about private funds' performance compared to the current requirements. Under the baseline, Question 23(c) would give insight into significant volatility swings occurring over a period of a month. Under the proposed amendments, volatility would be observed over longer time frames. As a result, these swings

could be masked, obscuring the assessment of systemic risk. Under the baseline, the information reported in Question 23(c) would also provide context to the monthly return values reported in Question 23(a), providing information on fund returns on a risk-adjusted basis. In addition, it would allow for the comparison of volatility across fund types for systemic risk assessment.³³⁰ Because more detailed information on the volatility of funds' performance can enhance systemic risk assessment efforts, the reduction in information collected that would result from the proposed elimination of Question 23(c) could impact systemic risk monitoring.

However, the utility of the data obtained from Question 23(c), and therefore the potential cost of eliminating it, is limited by the quality and comparability of the responses submitted by advisers. Industry members have indicated that different advisers could answer this question using different methodologies that do not necessarily align with what is required under Question 23.³³¹ In addition, because Question 23(c) is not required in the case where the adviser does not calculate market value on a daily basis for any of the positions in the fund, the coverage of the question across funds could be incomplete.³³² These challenges could reduce the ability to infer volatility of returns on a wider scale and affect systemic risk monitoring. The costs of eliminating this question could thus be lower than they would be in the absence of these challenges.

We anticipate that any remaining costs of the proposed elimination of Question 23(c) would be substantially mitigated by two factors. First, advisers would submit information on monthly or quarterly performance reporting in Questions 23(a) and 23(b), which would help with the assessment, over longer timeframes than under the baseline, of performance-related volatility that can

³¹⁹ Advisers that do not calculate a market value on a daily basis for any of the positions in a fund's portfolio are not required to complete Question 23(c) for this fund.

³²⁰ See *supra* section II.F.

³²¹ See *id.*

³²² Question 23(c) applies to all private fund advisers filing Form PF. Under the proposed amendments, we estimate that there would be approximately 2,280 such advisers, advising approximately 44,312 private funds. See *supra* sections III.B.2 and III.C.2. Because the compliance date of the 2024 amendments has been extended to October 1, 2026, we do not have data on the number of advisers that calculate market values for any of their funds' portfolio positions daily, which would necessitate their completion of Question 23(c) under the baseline. See *supra* footnote 8.

³²³ See Form PF Glossary of Terms (definition of "reporting fund aggregate calculated value").

³²⁴ See *supra* section II.F.

³²⁵ See *infra* section III.C.18 for estimates of cost savings associated with the proposed amendments.

³²⁶ We do not have an estimate of the number of advisers that would complete Question 23(c) were it to remain in Form PF. See *supra* footnote 322.

³²⁷ See Form PF section 5.

³²⁸ See Form PF section 5, Item B.

³²⁹ See Form PF Glossary of Terms (definitions of "holding period return" and "daily rate-of-return").

³³⁰ For example, comparing volatility across different fund types allows for the identification of market trends and of strategies that are the most volatile and therefore pose the greatest risk to counterparties.

³³¹ Form PF allows for the aggregate calculated value of a fund to be calculated using the adviser's own internal methodologies and conventions of the adviser's service providers, provided that these are consistent with information reported internally. See Form PF Glossary of Terms (definition of "reported fund aggregate calculated value"). See also *supra* section II.F.

³³² Because the compliance date for the 2024 amendments has been delayed to October 1, 2026, we do not have an estimate of the number of funds for which Question 23(c) would not be completed even if it were to be kept in Form PF. See *supra* footnote 322.

contribute to systemic risk. Second, large hedge fund advisers are required to file a current report with the SEC if the return on a qualifying hedge fund's portfolio is less than or equal to negative 20 percent.³³³ Hence, for qualifying hedge funds, there would continue to be information available about periods of large negative returns even if Question 23(c) were to be eliminated. Even though the current reporting does not apply to other types of funds, we expect that qualifying hedge funds, by their size and investment strategies, are the most likely to see volatility of returns of a magnitude that could contribute to systemic risk.³³⁴ However, to the extent that other types of funds or hedge funds that do not meet the definition of qualifying hedge funds also show volatility that could contribute to systemic risk, or to the extent that periods of high volatility in daily rate-of-return that do not result in the filing of current reports could contribute to systemic risk, the ability to assess systemic risk could be reduced under the proposed change compared to the current requirements.

We expect that any effect on investor protection from the proposed elimination of Question 23(c) would be minimal. As with systemic risk monitoring, information relevant to investor protection resulting from this question would likely be limited due to data quality and comparability concerns.

8. Eliminate Certain Trading and Clearing Reporting

Questions 29 and 30 must be completed by all filing advisers that advise hedge funds and must be completed separately for each hedge fund that such advisers advise. Question 29 requires advisers to report values for securities (other than derivatives), interest rate derivatives, derivatives (other than interest rate derivatives), and repo/reverse repos trades, categorized by trading mode (e.g., "on a regulated exchange"). In column (i), advisers must report the value traded during the reporting period (in U.S. dollars). In column (ii), advisers must report the value of positions as of the end of the reporting period. Question 30 requires advisers to report values for transactions that are not described in any of the categories listed in Question 29. As with Question 29, advisers must report the value traded during the reporting period in U.S. dollars (in Question 30(a)) and the value of positions as of the end of the reporting period (in Question 30(b)). The proposed amendments would remove column (ii) of Question 29 and item (b) of Question 30.³³⁵

Currently, Question 29 includes an instruction on how filers must calculate the value traded of transactions in different transaction categories and trading modes. The current instruction in Question 29 provides that the value traded is the total value in U.S. dollars of the reporting fund's transactions in the instrument category and trading mode during the reporting period. It also specifies how filers must determine this value for different types of derivatives trades. For derivatives trades other than options and interest rate derivatives, it erroneously requires filers to calculate the total value by using a weighted average. General Instruction 15 also includes instructions on how filers are required to calculate the value of different types of derivatives trades, unless otherwise specifically indicated. For derivatives other than options and interest rate derivatives, it requires filers to use the gross notional value. The proposed amendments would remove the specific instruction in Question 29 concerning how to calculate the value traded, which would remove the error. Without these specific instructions, advisers would rely on General Instruction 15 and the table to calculate

the value traded for proposed Questions 29 and 30.³³⁶

Benefits

The proposed elimination of column (ii) of Question 29 and item (b) of Question 30 would lower the burden on all investment advisers required to complete Questions 29 and 30.³³⁷ Since these questions were added as part of the 2024 amendments to Form PF, some industry participants have expressed that they do not otherwise calculate the value of positions at the end of the reporting period by trading mode for each position using the calculations Form PF requires and that it is burdensome to track, calculate, and report such data solely for purposes of completing column (ii) in Question 29 and Questions 30(b).³³⁸ Thus, advisers would likely benefit from cost savings associated with removing this reporting requirement.³³⁹

Advisers would also benefit from the elimination of the specific instruction in Question 29 concerning how to calculate the value traded. The current instruction for derivatives that are not options or interest rate derivatives specifies erroneously that the value traded should be calculated using the weighted average notional amount of the reporting fund's aggregate derivatives transactions during the reporting period. However, the same instruction also specifies that the value traded is the total value of the reporting fund's transactions during the report period. The proposed removal of the specific instructions in Question 29 about how to calculate value traded would therefore reduce confusion for advisers.³⁴⁰ In addition, because the current error in the instructions could result in different advisers calculating these values using different methodologies based on their understanding of the requirements, the proposed removal of the instruction in Question 29 could result in improved data quality, which would support systemic risk monitoring by improving the information available on the use of different types of trading and clearing mechanisms by hedge funds.

³³³ See Form PF section 5. See also *supra* text accompanying footnote 328.

³³⁴ Hedge funds often conduct large, highly leveraged trades to attempt to profit from small price discrepancies in certain markets. Adverse market movements can lead to hedge funds facing margin calls or having to rapidly unwind their positions. Many also offer liquidity to fund investors, which can lead to forced sales in response to sustained redemption pressures. See, e.g., John Kambhu, Til Schuermann & Kevin J. Stiroh, *Hedge Funds, Financial Intermediation, and Systemic Risk*, 13 Fed. Res. Bank of N.Y. Econ. Pol'y Rev. 1 (Dec. 2007), available at <https://www.newyorkfed.org/medialibrary/media/research/epr/07v13n3/0712kamb.pdf>. These scenarios can affect market liquidity and prices more broadly, particularly if many hedge funds are concentrated in the same or similar positions. See, e.g., *Crowded trades and consequences*, MacroSynergy Rsch. Blog (Jan. 4, 2025), <https://macroSynergy.com/research/crowded-trades-and-consequences/#crowded-trades-and-consequences>. By contrast, private equity funds typically require investor capital to be committed for the duration of the fund's life. In addition, their investments are often infrequently appraised. Similarly, liquidity funds invest in lower-risk assets and employ minimal leverage. Hedge funds are also the largest category of private fund by both NAV and GAV, at \$5.42 trillion and \$12.59 trillion, respectively. See *supra* section III.B.2.

³³⁵ Relatedly, the proposed amendments would also remove the specific instructions for the column (ii) that are given in Question 29. See *supra* section II.G.

³³⁶ See *supra* section II.G.

³³⁷ Questions 29 and 30 apply to all private fund advisers filing Form PF and advising hedge funds. Under the proposed amendments, we estimate that there would be approximately 1,048 such advisers, advising approximately 7,977 hedge funds. See *supra* sections III.B.2 and III.C.2.

³³⁸ See *supra* section II.G.

³³⁹ See *infra* section III.C.18 for estimates of cost savings associated with the proposed amendments.

³⁴⁰ General Instruction 15 and the table in Question 29 would sufficiently instruct advisers how to report the value traded.

Costs

Eliminating column (ii) of Question 29 and Question 30(b) would reduce the amount of information that advisers report regarding hedge funds' positions by investment category compared to the current requirements. These questions provide a snapshot of hedge funds' gross market footprint across varying trading modes. Removing these questions could, in principle, reduce visibility into large positions in certain categories and venues that may implicate systemic risk. For instance, information on end-of-period repo/reverse repo positions that are not centrally cleared would not be reported,³⁴¹ which could limit the effectiveness of systemic risk monitoring.

Two factors would mitigate this potential cost of eliminating these items. First, the data reported in column (ii) of Question 29 and in Question 30(b) may have limited utility for systemic risk assessment as the snapshot provided as of the end of the period may not provide a representative picture of a fund's use of trading and clearing mechanisms. Second, the form would continue to collect related relevant information. For example, Question 32(a) requires monthly long and short position values by more granular sub-asset class for each qualifying hedge fund advised by a large hedge fund adviser.³⁴² The instructions to Question 29 indicate that for filers that also complete section 2 for a reporting fund, the sum of the fund's end-of-period position value by category should be consistent with the sum of the long and short positions across the fund's sub-asset classes in Question 32. Thus, while Question 32 does not directly include information on trading mode, it retains end-of-period category position values for qualifying hedge funds advised by large hedge fund advisers, which could provide an indication as to whether the securities were traded on an exchange or over the counter. In addition, column (i) of Question 29 and Question 30(a) require the total U.S. dollar value of the reporting fund's transactions by investment category and trading mode (for column (i) of Question 29) during the fund's reporting period. This information offers a more relevant measure of hedge funds' use of trading

and clearing mechanisms. Hence, we expect that the effect of the proposed elimination of column (ii) of Question 29 and of Question 30(b) on systemic risk monitoring would be minimal.

We do not expect that the elimination of the instruction in Question 29 on how to calculate the value traded would impose costs on advisers. Advisers would be able to rely on the table in Question 29 and on General Instruction 15 to understand how to complete the proposed table in Question 29. The required information would be no more burdensome to report than what is currently erroneously specified in the instruction to Question 29.³⁴³

9. Eliminate Form PF Question 32(b)(2) Adjusted Exposure Netting Based on Internal Methodologies

Question 32 must be completed by large hedge fund advisers and separately for each qualifying hedge fund that such advisers advise. It was amended as part of the 2024 amendments.³⁴⁴ The question requires advisers to report information on a fund's long and short positions, by sub-asset class and instrument type, where applicable. In section (a), advisers must report the dollar value of the fund's long and short positions. In section (b), advisers must report the fund's adjusted exposure of long and short positions. In subsection (b)(1), advisers are instructed to calculate adjusted exposure by netting positions in the same underlying reference asset across instrument types. For fixed income assets, advisers are instructed to net positions within the same term, using the listed maturity buckets.³⁴⁵ Advisers must also complete subsection (b)(2) if, under their methodologies for internal reporting and reporting to investors, they do not net all positions across all instrument types. Subsection (b)(2) requires advisers to (i) report adjusted exposure for each sub-asset class calculated using the adviser's internal methodologies and (ii) describe in Question 4 how their internal methodologies differ from the calculations required in subsection (b)(1). Under the proposed amendments,

subsection (b)(2) would be eliminated.³⁴⁶

Benefits

All large hedge fund advisers that would have completed Question 32(b)(2) under the current requirements would benefit from the proposed elimination of this question via lower compliance costs.³⁴⁷ These costs include the time and resources spent by advisers to compute the adjusted exposure for each sub-asset class using their own methodologies and to describe in Question 4 how their internal methodologies differ from the calculations required by Question 32(b)(1). Among the advisers that would have to complete Question 32(b)(2) under the current requirements, these costs are likely to be higher for advisers of funds that have a large number of positions in a large number of sub-asset classes.³⁴⁸ We expect that the decrease in costs resulting from the proposed elimination of Question 32(b)(2) would be most significant for such advisers.³⁴⁹ We expect that there would be no decrease in costs for advisers with internal methodologies that align with the requirements in Question 32(b)(1), since these advisers are not required to complete Question 32(b)(2).

³⁴⁶ See *supra* section II.H. In addition, the responses submitted by advisers to Question 32(b)(1) may be impacted by the proposed changes to how advisers are required to "look through" a fund's investments when considering positions held indirectly. See *supra* sections II.D and III.C.5.

³⁴⁷ Question 32(b)(2) is in section 2 of Form PF and applies to all qualifying hedge funds advised by large hedge fund advisers. Under the proposed amendments, we estimate that there would be approximately 227 such advisers advising approximately 1,378 qualifying hedge funds. See *supra* sections III.B.2 and III.C.3. Because the compliance date of the 2024 amendments has been extended to October 1, 2026, we do not have data on the number of large hedge fund advisers to qualifying hedge funds whose internal methodology makes them required to complete Question 32(b)(2) under the baseline. See *supra* footnote 8.

³⁴⁸ While data from Question 32(b)(2) is not available due to the extension of the 2024 amendments to October 1, 2026, Questions 30 and 34 of the version of Form PF that advisers are currently required to file inform the number of positions and unique sub-asset classes, respectively, held by qualifying hedge funds. We estimate that under the proposed reporting threshold for large hedge fund advisers, 304 qualifying hedge funds (representing 22.1% of qualifying hedge funds) advised by 108 large hedge fund advisers (representing 47.6% of large hedge fund advisers) would hold at least 500 open positions across 10 or more unique sub-asset classes, while 278 qualifying hedge funds (representing 20.2% of qualifying hedge funds) advised by 77 large hedge fund advisers (representing 33.9% of large hedge fund advisers) would hold less than 100 open positions across fewer than 5 unique sub-asset classes.

³⁴⁹ See *infra* section III.C.18 for estimates of cost savings associated with the proposed amendments.

³⁴¹ See Form PF Question 29(d) column (ii).

³⁴² Question 29 is in section 1c of Form PF, while Question 32 is in section 2. We estimate that under the proposed amendments, 1,048 advisers would be required to complete section 1c but not section 2 for 6,599 hedge funds (with aggregate gross assets of \$2,816 billion) and that 227 large hedge fund advisers would complete both section 1c and section 2 for 1,378 hedge funds (with aggregate gross assets of \$9,493 billion).

³⁴³ Advisers that would be reporting derivatives trades in Question 29 would also report them in Question 32. Since General Instruction 15 on the calculation of the value of derivatives trades applies to Question 32, we expect that these advisers would already be familiar with this part of General Instruction 15.

³⁴⁴ See *supra* section II.H.

³⁴⁵ The question specifies that advisers "may net counterparties consistent with the information [they] report internally and to current and prospective investors." See Form PF Question 32(b)(1). The proposed amendments would remove the word "counterparties" from this sentence. See *supra* section II.H. We do not expect that this change would have significant economic effects.

Costs

The proposed elimination of Question 32(b)(2) would result in FSOC receiving less information on how large hedge fund advisers to qualifying hedge funds report economic exposure of the funds' investment positions internally and to investors. This change could reduce FSOC's understanding of how advisers internally categorize their economic exposure to sub-asset classes across instrument types to the extent that this information differs from the prescriptive approach required in 32(b)(1). We do not expect that this would lead to a significant reduction in FSOC's ability to monitor systemic risk since it would still collect relevant information in Question 32(b)(1). Moreover, based on feedback received from filers following the adoption of the 2024 amendments to Form PF, the additional information required by Question 32(b)(2) would likely yield non-meaningful differences in risk information conveyed.³⁵⁰ Therefore, we anticipate the costs of eliminating this question would be minimal.

10. Eliminate Form PF Question 34 Monthly Asset Turnover Reporting

Question 34 appears in section 2 of Form PF and must be completed by large hedge fund advisers and separately for each qualifying hedge fund that such advisers advise. It was amended as part of the 2024 amendments and was previously numbered as Question 27.³⁵¹ The question requires advisers to report turnover information by asset class for each month during the quarterly reporting period.³⁵² Under the proposed amendments, Question 34 would be eliminated.³⁵³

Benefits

Eliminating Question 34 would benefit large hedge fund advisers by reducing the amount of turnover information they must collect and report for each of their qualifying hedge funds.³⁵⁴ Currently, this information is reportable at the asset class level for

each month, requiring large hedge fund advisers to compute up to 90 data points for each quarterly filing for each of their qualifying hedge funds.³⁵⁵ Industry participants have indicated that these data points are particularly burdensome to monitor and produce in order to complete Question 34.³⁵⁶ The burden of completing the question is likely highest for advisers to funds that make hundreds or even thousands of trades each day. Thus, the cost savings are likely to be the largest for such advisers.³⁵⁷

Costs

The proposed elimination of Question 34 would result in advisers reporting less information on qualifying hedge funds' asset turnover. As a result, regulators could have diminished visibility into the role of private funds' trading activity and contribution of trading liquidity in certain market events. To the extent that the granular turnover data required in Question 34 would support analyses that improve regulators' ability to evaluate market risk and industry trends in future crises, its removal could affect systemic risk assessment. However, asset turnover may be an imprecise signal of market turmoil. A high level of trading could primarily reflect a fund's investment strategy and not a particular issue in a given market.³⁵⁸ In addition, a reduction in trading could reflect a fund's strategy in response to normal market conditions or could instead reflect an episode of stress in a given market where a reduction in liquidity constrains a fund's trading. These factors may limit the utility of this item to monitor systemic risk.

To the degree that visibility into asset turnover is useful to monitor systemic risk, two factors could mitigate the potential costs of eliminating Question 34. First, large hedge fund advisers would still report long and short positions by sub-asset class (and instrument type, if applicable) at a monthly frequency for their qualifying hedge funds.³⁵⁹ This information, combined with the information about investment strategies reported in Question 25, would continue to provide visibility into qualifying hedge funds' exposure by sub-asset class at a monthly

frequency and may serve as a substitute for trading volume data that would be removed from Form PF. In addition, certain information relating to trading activity would still be provided in Question 29. Second, large hedge fund advisers to qualifying hedge funds would still need to file section 5 current reports upon extraordinary investment losses or substantial increases in margin, collateral, or equivalent.³⁶⁰ While these reports do not provide specific data on trading or turnover, they may still provide information that may be used to ascertain a timeline following instances of severe market turmoil involving hedge funds.

11. Simplify Industry Concentration Reporting in Form PF Question 36

Question 36 must be completed by large hedge fund advisers and separately for each qualifying hedge fund that such advisers advise. It was added to Form PF as part of the 2024 amendments.³⁶¹ The question requires advisers to identify the fund's exposure by industry, based on the NAICS code of the underlying exposures, if the exposure is equal to or exceeds either (1) five percent of the reporting fund's net asset value or (2) \$1 billion. The adviser must also report the long and short dollar value of these exposures in U.S. dollars. Currently, advisers are required to report the NAICS code at the six-digit level.³⁶² The proposed amendments would give advisers the flexibility to choose any level of classification within the NAICS hierarchical code system. That is, advisers would be able to choose any NAICS code with between two and six digits.

Benefits

The main benefit of the proposed change to Question 36 would be to reduce the burden for advisers.³⁶³ The proposed amendment to Question 36 would reduce the different types of costs associated with completing Question 36. These costs include the time and resources spent by the adviser

³⁵⁰ See *supra* section II.H.

³⁵¹ See *supra* section II.I.

³⁵² The categories of assets listed in Question 34 include equity, corporate bonds, convertible bonds, sovereign bonds and municipal bonds, listed equity derivatives, interest rate derivatives, foreign exchange derivatives, derivative exposure to U.S. treasury securities, derivative exposure to sovereign bonds issued by G10 countries other than U.S., derivative exposure to other sovereign bonds, and other derivatives. Some of these categories contain more narrowly defined asset classes.

³⁵³ See *supra* section II.I.

³⁵⁴ Under the proposed amendments, we estimate that there would be approximately 227 large hedge fund advisers advising approximately 1,378 qualifying hedge funds. See *supra* sections III.B.2 and III.C.3.

³⁵⁵ This number is computed as 30 asset classes times 3 months per quarter.

³⁵⁶ See *supra* section II.I.

³⁵⁷ See *infra* section III.C.18 for estimates of cost savings associated with the proposed amendments.

³⁵⁸ See *supra* section II.I.

³⁵⁹ See Form PF Question 32. While under the proposed amendments some parts of Question 32 would be eliminated, this requirement would remain. See *supra* section II.H; *supra* section III.C.9.

³⁶⁰ See Form PF section 5 Items B and C.

³⁶¹ See *supra* section II.J.

³⁶² See Form PF Glossary of Terms (definition of "NAICS code"). See also *supra* footnote 90 and accompanying paragraph for a description of the NAICS code classification. The proposed amendments would also modify the definition of "NAICS code" in the Glossary of Terms to specify that advisers must report at the six-digit level unless otherwise specifically indicated.

³⁶³ Question 36 appears in section 2 of Form PF and applies to qualifying hedge funds advised by large hedge fund advisers. Under the proposed amendments, we estimate that there would be approximately 227 large hedge fund advisers advising approximately 1,378 qualifying hedge funds. See *supra* sections III.B.2 and III.C.3.

to assign a NAICS code to a fund's assets that meet the specified threshold and to keep track of such assignment over time. We understand that, while a six-digit NAICS code may be readily available for many assets from third parties, for other assets, such as those issued outside of North America, a NAICS code is not readily available. In these cases, the adviser must either develop an internal system or find a third party that would be able to assign NAICS codes. Hence, the cost to the adviser to perform this task is significantly higher. Under the proposed amendments, a NAICS code would still need to be assigned. However, the adviser would have the possibility to choose between, for example, approximately twenty two-digit industry codes instead of more than one thousand six-digit industry codes. We expect that this would significantly reduce the burden to advisers to qualifying hedge funds of assigning a NAICS code for those assets that do not have a six-digit NAICS code readily available.³⁶⁴ This reduction in costs would apply to large hedge fund advisers to qualifying hedge funds.

The proposed change to Question 36 could also reduce the occurrence of instruments being assigned inconsistent NAICS codes. Industry members have indicated that assigning a six-digit NAICS code to an instrument can be challenging or infeasible.³⁶⁵ This can result in different advisers assigning different NAICS codes to the same instrument, which could affect FSOC's assessment of the exposure of qualifying hedge funds to specific industries, and consequently its ability to monitor systemic risk. Fewer and broader industry categories would likely lead to fewer inconsistent NAICS code assignments, which would increase the reliability of the information reported in this question and thus its utility for systemic risk monitoring.

Costs

The proposed change to Question 36 would result in FSOC receiving less precise information on qualifying hedge funds' exposure by industry, which could, in principle, impact its monitoring of systemic risk. For instance, if a significant event affecting a specific industry were to occur, less granular reporting on industry exposures could, in principle, result in FSOC obtaining a less precise estimate of the number of qualifying hedge funds that could be affected or of the

magnitude of the potential effects, which in turn could reduce its ability to assess systemic risk. This effect is mitigated by a number of factors, however. For example, industry members have indicated that complying with the current NAICS code requirement would necessitate assigning NAICS codes to instruments that do not have them, which could lead to inconsistent reporting across filers.³⁶⁶ This inconsistency may lower the value of this information, and hence the cost of the proposed lower granularity, to FSOC's monitoring of systemic risk. Additionally, we expect that any effect would be mitigated by the fact that FSOC would still have access to qualifying hedge funds' exposures to industry, as more broadly defined in the two-digit NAICS code classification, which could be sufficient for systemic risk monitoring. Further, to the extent that advisers continue to provide six-digit NAICS code for the assets for which such a code is readily available,³⁶⁷ the effective decrease in information available to FSOC would be limited. Hence, we expect that the effect of the proposed amendment to Question 36 on FSOC's ability to monitor systemic risk would be limited.

12. Eliminate Certain Questions Concerning Qualifying Hedge Funds' Exposures to Reference Assets

The proposed amendments to Form PF would eliminate Questions 39 and 40.³⁶⁸ These questions require large hedge fund advisers to provide information about each of their qualifying hedge funds' netted and gross exposure to reference assets for each month of the reporting period. Question 39 requires monthly long and short entries of: (i) the total number of reference assets to which the reporting fund holds netted exposure; (ii) the percent of net asset value represented by the aggregated netted exposures of reference assets with the top five long and short netted exposures; and (iii) the percent of net asset value represented by the aggregate netted exposures of reference assets representing the top ten long and short netted exposures. Question 40 requires identifying and

descriptive information for each of the reporting fund's reference assets whose gross exposure equals or exceeds certain thresholds for each month of the reporting period.

Benefits

Removing Questions 39 and 40 would substantially lower the reporting burden for large hedge fund advisers.³⁶⁹ Both questions require a multi-step analysis of the reference assets in a reporting fund's portfolio at a monthly frequency. These exercises may be especially costly for advisers to qualifying hedge funds with large, complex portfolios in which exposure to reference assets is achieved via direct and indirect ownership and across various instruments.

As a preliminary step, Question 39 requires advisers to account for all of a reporting fund's reference assets with net long or net short exposure which may contribute to the fund's portfolio directly or indirectly across multiple financial instruments.³⁷⁰ Answering parts (b) and (c) of Question 39 requires the adviser to determine the top five and top ten reference assets by both long and short netted exposure for each month of the reporting period. We thus anticipate that eliminating this question would result in substantial cost savings to advisers to qualifying hedge funds.

Question 40 requires detailed information by month for reference assets which account for exposure exceeding any of three thresholds.³⁷¹ Industry participants have indicated that this question requires specific and numerous calculations that are both particularly burdensome and not otherwise used by the funds.³⁷² We anticipate that substantial burden reductions would result from removing this question, due in part to the operational complexity of monitoring whether exposures to each reference asset exceeds these thresholds. This

³⁶⁹ Questions 39 and 40 appear in section 2 of Form PF and apply to all qualifying hedge funds advised by large hedge fund advisers. Under the proposed amendments, we estimate that there would be approximately 227 large hedge fund advisers advising approximately 1,378 qualifying hedge funds. See *supra* sections III.B.2 and III.C.3.

³⁷⁰ For instance, a fund may have economic exposure to a particular listed equity via direct ownership, futures contract, options, or other derivatives.

³⁷¹ These thresholds are: (i) 1% of net asset value, if the reference asset is a debt security and the reporting fund's gross exposure to the reference asset exceeds 20% of the size of the overall debt security issuance; (ii) 1% of net asset value, if the reference asset is a listed equity and the reporting fund's gross exposure to the reference asset exceeds 20% of average daily trading volume measured over 90 days preceding the reporting date; or (iii) either (1) five percent of the reporting fund's net asset value or (2) \$1 billion.

³⁷² See *supra* section II.K.

³⁶⁴ See *infra* section III.C.18 for estimates of cost savings associated with the proposed amendments.

³⁶⁵ See *supra* section II.J.

³⁶⁶ See *supra* text accompanying footnote 365; section II.J.

³⁶⁷ A six-digit NAICS code could be readily available for a specific asset because the adviser has already paid a service provider to obtain it or because the adviser has developed an internal methodology to assign one, for example.

³⁶⁸ See *supra* section II.K. In addition, the proposed amendments would remove the definition of "netted exposure" from the Glossary of Terms since this term would not appear in Form PF. We do not expect this propose change to the Glossary of Terms to have economic effects.

complexity, and thus the gains from the question's removal, is further elevated to the extent a fund obtains exposure to a reference asset indirectly through one or more entities. Removing Question 40 would decrease the burden associated with estimating exposures to reference assets obtained through entities that the adviser does not control. Moreover, advisers would not have to report for these reference assets the dollar value of long and short exposures, netted exposure, sub-asset class and instrument type, title or description, unique identifier, size of issuance of debt securities, and listed equity average daily trading volume. We expect there would be substantial burden reduction to advisers to qualifying hedge funds associated with discontinuing the collection of this information.³⁷³

Costs

Removing Questions 39 and 40 would eliminate a source of data on concentrated netted exposure and material gross exposures to reference assets, respectively. The loss of this data could impact FSOC in monitoring systemic risk. In particular, removing Question 39 could affect FSOC's ability to obtain information on concentration in fund net positions, while removing Question 40 could reduce its visibility into the overall market footprint of large positions. Removing Questions 39 and 40 could also therefore impact regulators' ability to prepare retrospective analyses into the causes of instances of major market turmoil.

Two factors could mitigate the potential costs of eliminating Questions 39 and 40. First, the substantial burden associated with completing these questions could reduce the reported data's reliability and comparability across advisers, which could reduce its utility for systemic risk monitoring.³⁷⁴ Second, other information reported on Form PF could mitigate the reduction in efficacy of systemic risk monitoring that could result from removing Questions 39 and 40. Question 32 requires large hedge fund advisers to qualifying hedge funds to report certain information on their reporting fund's long and short positions by sub-asset class and instrument type.³⁷⁵ The required information includes the dollar value of long and short positions, the adjusted exposure for fixed income assets binned by reference asset maturity, and 10-year bond equivalent long and short position

dollar values for each sub-asset class with interest rate risk. While the information reported in Question 32 is less granular than the information required in Questions 39 and 40, it nonetheless provides insight into the risk exposure and footprint of qualifying hedge funds at the sub-asset level. Finally, the proposed addition of requirements in Item B of section 5 would recover identifying information and investment sizes of the asset with the largest contribution to a qualifying hedge fund's loss of 20 percent or more in a rolling 10-day business-day period.³⁷⁶ We thus expect the effect of the removal of Questions 39 and 40 on systemic risk monitoring to be limited.

We do not expect a cost to investor protection resulting from the proposed elimination of these questions. As discussed, issues with data reliability and comparability may result from the substantial burden associated with these questions under the baseline. As such, any signal relevant for investor protection that these questions provide may likewise be unreliable. Also as discussed, other information reported on Form PF would be available for investor protection efforts.

13. Simplify Large Hedge Fund Adviser Counterparty Exposure Reporting

Questions 26 and 41 contain consolidated counterparty exposure tables where advisers are required to report their funds' borrowing (and collateral received) as well as lending (and posted collateral) for different types of borrowing, lending, and similar transactions with creditors and other counterparties, aggregated across all counterparties. Both questions were added to Form PF as part of the 2024 amendments.³⁷⁷ All private fund advisers must complete Question 26 for each hedge fund that they advise that is not a qualifying hedge fund.³⁷⁸ It must be completed as of the end of the reporting period.³⁷⁹ Question 41 must be completed by large hedge fund advisers for each qualifying hedge fund that they advise and it must be completed as of the end of each month

of the reporting period.³⁸⁰ It requires more granular detail and more information than Question 26. First, for several types of borrowing, lending, and similar transactions, Question 41 requires advisers to provide details on a larger number of categories of collateral types associated with each type of borrowing, lending, or other transactions than Question 26.³⁸¹ Second, Question 41 requires advisers to break down different types of borrowing across different types of creditors (U.S. depository institutions, U.S. creditors that are not U.S. depository institutions, and non-U.S. creditors).³⁸² Third, for several types of borrowing, lending, and similar transactions, Question 41 requires advisers to specify the expected increase in collateral required to be posted by the fund if the required margin increases by one percent of position size.³⁸³ Question 26 does not include these last two requirements. The proposed amendments would eliminate Question 41 and require that advisers complete Question 26 for all hedge funds, including qualifying hedge funds.³⁸⁴

³⁸⁰ For large hedge fund advisers, the reporting period is the fund's calendar quarter. *See supra* section III.B.1; *see also* Form PF General Instruction 9; Form PF Glossary of Terms (definition of "reporting period").

³⁸¹ For example, for secured borrowing and lending via prime brokerage or other brokerage agreement, Question 26 asks the amount of borrowing (and collateral received) and lending (and collateral posted) for the following types of collateral: (i) cash and cash equivalents received in cash margin borrowing, or received or paid by the reporting fund in securities lending and short sale transactions; (ii) cash and cash equivalents received or posted by the reporting fund as collateral for derivatives under any cross-margining agreement; and (iii) government securities and other securities received and posted by the reporting fund. For the same category of lending and borrowing, Question 41 asks for the amounts for the following categories: (i) cash and cash equivalents received in cash margin borrowing, or received or paid by the reporting fund in securities lending and short sale transactions; (ii) cash and cash equivalents received or posted by the reporting fund as collateral for derivatives under any cross-margining agreement; (iii) government securities (other than cash and cash equivalents) received and posted by the reporting fund; (iv) securities (other than cash and cash equivalents and government securities) received and posted by the reporting fund; and (v) other collateral or credit support (including face amount of letters of credit and similar third party credit support) received and posted by the reporting fund.

³⁸² *See* Form PF Question 41 subsections (a), (b)(vi), (c)(v), (d)(v), and (f)(vii).

³⁸³ *See* Form PF Question 41, subsections (b)(vii), (c)(vi), (d)(vi), (e)(vi), and (f)(viii). In some subsections, the instructions appear to mistakenly require advisers to report the expected change in collateral if the required margin increases by one percent, rather than by one percent of the position size.

³⁸⁴ The definitions of "cash borrowing entries," "cash lending entries," and "consolidated counterparty exposure table" in the Glossary of

Continued

³⁷³ *See infra* section III.C.18 for estimates of cost savings associated with the proposed amendments.

³⁷⁴ *See supra* section II.K.

³⁷⁵ This would remain true under the proposed amendment to Question 32. *See supra* sections II.H and III.C.9.

³⁷⁶ *See infra* section III.C.15.

³⁷⁷ *See supra* section II.L.

³⁷⁸ Large hedge fund advisers are not currently required to complete Question 26 for their qualifying hedge funds, for which they are required to complete Question 41 instead.

³⁷⁹ For large hedge fund advisers, the reporting period is the fund's calendar quarter. For hedge fund advisers that do not meet the definition of large hedge fund advisers, the reporting period is the fund's fiscal year. *See supra* section III.B.1; *see also* Form PF General Instruction 9; Form PF Glossary of Terms (definition of "reporting period").

The proposed amendments would also require large hedge fund advisers to report in Question 26 as of the end of each month of the reporting period for the qualifying hedge funds that they advise.

Separately, Question 42 must be completed by large hedge fund advisers for each qualifying hedge fund that they advise. It was added to Form PF as part of the 2024 amendments.³⁸⁵ The question requires advisers to identify and provide information on each creditor or other counterparty (including CCPs) to which reporting funds owed an amount in respect of cash borrowing entries (before posted collateral) which is equal to or greater than either (1) five percent of net asset value as of the data reporting date, or (2) \$1 billion. For the top five creditors or counterparties that meet this threshold, the adviser is required to provide details on the amount of borrowing or lending for different types of borrowing or lending positions and for different types of collateral in Question 42(a). The different types of collateral categories for each type of borrowing or other transaction are aligned with the requirements in Question 41. In Question 42(b), the adviser must identify all other creditors or counterparties (including CCPs) that meet the specified threshold but that are not the top five listed in Question 42(a). For each of these creditors or counterparties, the adviser must report, among other things, the cash borrowing entries and the collateral posted entries of the reporting fund,³⁸⁶ but is not required to provide information as granular as in Question 42(a). The proposed amendments to Question 42 would require advisers to identify each creditor or other counterparty (including CCPs) to which reporting

Terms would also be amended to remove references to Question 41. In addition, the definition of “individual counterparty exposure table” would be amended to correct an error. The definition currently mistakenly refers to Question 41 in addition to Question 42. Under the proposed amendments, this error would be corrected to refer to Questions 42 and 43. *See supra* footnote 119 and accompanying text; Form PF Glossary of Terms (definition of “individual counterparty exposure table”).

³⁸⁵ *See supra* section I.L.

³⁸⁶ *See* proposed Form PF Glossary of Terms (definition of “borrowing entries”). In current Question 42 of Form PF, the instructions for completing subsection (b) state that advisers must report “cash borrowing entries” in column (d), whereas column (d) of the table in subsection (b) refers to “Borrowing.” The proposed amendments would reconcile this difference by amending the instructions for completing subsection (b) of Question 42 to instruct filers to report all borrowings (*i.e.*, “borrowing entries” as defined in the proposed Form PF Glossary of Terms) in column (d) of subsection (b). *See supra* footnote 121; *infra* footnote 387 and accompanying text.

funds owed an amount in respect of borrowing entries (instead of in respect of cash borrowing entries) that is equal to or above the specified threshold.³⁸⁷ The proposed amendments would also modify Question 42(a) to align it with the less granular reporting categories in Question 26. Finally, the proposed amendments would modify Question 42(b) to require advisers to categorize borrowings reported in column (d) by type: unsecured borrowing, secured borrowing (prime brokerage or other brokerage agreement), secured borrowing via repo and reverse repo (including tri-party repo), other secured borrowing, derivative positions cleared by a CCP, and derivative positions that are not cleared by a CCP.³⁸⁸

In addition, Question 43 must be completed by large hedge fund advisers for each qualifying hedge fund that they advise. It was added to Form PF as part of the 2024 amendments.³⁸⁹ The question requires advisers to identify and provide information on each counterparty to which reporting funds had net mark to market counterparty credit exposure, after taking into account collateral received or posted by the reporting fund, which is equal to or greater than either (1) five percent of net asset value as of the data reporting date, or (2) \$1 billion. For this question, the counterparty credit exposure relates to cash borrowing entries or cash lending entries.³⁹⁰ For the top five counterparties that meet this threshold, the adviser is required to provide details

³⁸⁷ The proposed amendments would also include “borrowing entries” as a defined term in the Glossary of Terms. *See* proposed Form PF Glossary of Terms (definition of “borrowing entries”).

³⁸⁸ *See* proposed Form PF Question 42(b); *supra* section I.L. Instructions for completing subsection (b) of Question 42 would be amended to direct advisers to report “the dollar amount of each type of borrowing in rows (d)(1) through (d)(6).” *See* proposed Form PF Question 42; *supra* footnote 122. In addition, the proposed amendments would correct two minor revisions to the instructions to Question 42. *See supra* section I.L. We do not expect that these corrections would have economic effects as we expect that advisers already understand the correct current requirements.

³⁸⁹ *See supra* section I.L.

³⁹⁰ For counterparties to which the reporting fund had net borrowing exposures, the reporting fund’s net mark to market counterparty credit exposure before collateral equals the reporting fund’s cash borrowing entries and the reporting fund’s net mark to market counterparty credit exposure after collateral equals the amount (if any) by which the collateral posted entries exceed such cash borrowing entries. For counterparties to which the reporting fund had net lending exposure, the reporting fund’s net mark to market counterparty credit exposure before collateral means the cash lending entries and the reporting fund’s net mark to market counterparty credit exposure after collateral equals the amount (if any) by which the reporting fund’s cash lending entries exceed the collateral received entries.

on the amount of borrowing or lending for different types of borrowing or lending positions and for different types of collateral in Question 43(a). The different types of collateral categories for each type of borrowing, lending, or other transaction are aligned with the requirements in Question 41. In Question 43(b), the adviser must identify all other counterparties that meet the specified threshold but that are not the top five listed in Question 43(a). For each counterparty identified, the adviser must report, among other things, the net mark to market exposure before collateral and the net mark to market exposure after collateral but is not required to provide information as granular as in Question 43(a). Under the proposed amendments, counterparty credit exposure would relate to all borrowing entries or all lending entries,³⁹¹ instead of only cash borrowing entries or cash lending entries.³⁹² The proposed amendments would also modify Question 43(a) to align it with the less granular reporting categories in Question 26.³⁹³

Finally, Question 18 requires filing advisers to provide information on each of their funds’ borrowings and types of creditors. Large hedge fund advisers are not currently required to complete Question 18 for their qualifying hedge funds. Applicable advisers must report the dollar amount of a fund’s total borrowing, as well as the percentage of this borrowing that is borrowed from (i) U.S. depository institutions, (ii) U.S. creditors that are not U.S. depository institutions, and (iii) non-U.S. creditors. Under the proposed amendments, large hedge fund advisers would be required

³⁹¹ The proposed amendments would also include “lending entries” as a defined term in the Glossary of Terms. *See* proposed Form PF Glossary of Terms (definition of “lending entries”).

³⁹² Under the proposed amendments, for counterparties to which the reporting fund had net borrowing exposures, the reporting fund’s net mark to market counterparty credit exposure before collateral would equal the reporting fund’s borrowings and the reporting fund’s net mark to market counterparty credit exposure after collateral would equal the amount (if any) by which the collateral posted entries exceed such borrowings. For counterparties to which the reporting fund had net lending exposure, the reporting fund’s net mark to market counterparty credit exposure before collateral would mean the lending entries and the reporting fund’s net mark to market counterparty credit exposure after collateral would equal the amount (if any) by which the reporting fund’s lending entries exceed the collateral received entries. *See* proposed Form PF Question 43.

³⁹³ The definitions of “collateral posted entries” and “collateral received entries” in the Glossary of Terms would also be amended to reflect the amended requirements for Questions 42 and 43. *See supra* footnote 119 and accompanying text.

to complete Question 18 for their qualifying hedge funds.³⁹⁴

Benefits

The main benefit of these proposed changes would be to reduce the burden for large hedge fund advisers.³⁹⁵ The proposed amendments would reduce the costs associated with completing the parts of Question 41 that are not required in Question 26. They would also reduce the costs associated with completing Questions 42(a) and 43(a) for the different categories of collateral, since the granularity of these categories would decrease to align with those in Question 26. These cost savings would include those related to the time and resources spent by advisers to compute the required information. We expect that these would be higher for the advisers of qualifying hedge funds that utilize several types of borrowing, lending, and similar transactions with creditors or other counterparties that correspond to the different subsections of Questions 41. We also expect that they would be higher for the advisers of qualifying hedge funds that have a larger number of counterparties, since advisers are required to aggregate their responses across all counterparties in Question 41.³⁹⁶ We understand that some advisers find the requirements in Questions 41 burdensome.³⁹⁷ Hence, we expect that the proposed changes to these questions would result in a significant reduction in costs for large hedge fund advisers.³⁹⁸

These cost reductions could be mitigated by the proposed changes to Questions 18, 42, and 43. The proposed requirements to make Question 18 required for qualifying hedge funds could result in higher costs for their advisers since this question is not currently required for these funds. However, Question 41 requires advisers to break out different types of borrowings by type of creditor (U.S. depository institutions, U.S. creditors that are not U.S. depository institutions, and non-U.S. creditors) and on a monthly basis. Question 18 requires this information in aggregated form across

all of the fund's borrowings and on a quarterly basis for large hedge fund advisers. Hence, advisers are likely to have this information, or to have systems in place to collect this information. Aggregating it to complete Question 18 is unlikely to result in significant costs.

Similarly, the proposed change to Question 42(a) to include the requirement to report amounts for different types of borrowings reported in column (d) could increase costs to advisers since they would have to break out the individual counterparty exposure by the type of the borrowing exposure, whereas this question currently requires exposure aggregated across all borrowing types within a counterparty. However, Question 41 (and Question 26, which would be required instead of Question 41 under the proposed amendments) requires this information aggregated across all counterparties. To complete Question 41, advisers would have to collect information for each counterparty to be able to aggregate it. Hence, we expect that advisers already collect or already have systems in place to collect the information at the counterparty level. If not, advisers would have to collect this information in order to be able to complete Question 26 under the proposed amendments. Overall, we do not expect that the increase in costs that could result from this proposed change to Question 42(a) would be significant.

Finally, the proposed change to require advisers to consider all borrowing entries and lending entries when determining which counterparties meet the materiality thresholds in Questions 42 and 43, instead of considering only cash borrowing entries and cash lending entries, as is currently required, could lead to advisers having to complete Questions 42(b) and 43(b) for a larger number of counterparties, thereby increasing their costs.³⁹⁹ However, as with the proposed change to Question 42(a), advisers should already collect this information or have systems in place to collect this information at the counterparty level for Question 41. If not, they would have to collect it to be able to complete Question 26 under the proposed amendments. Nevertheless, completing Questions 42 and 43 could still be more costly than under the baseline, as advisers could be required to complete

more line items depending on their fund's borrowing entries.

Despite these potential mitigating factors, we expect that the reduction in costs that would result from the proposed amendments to Questions 18, 26, 41, 42, and 43 for advisers of qualifying hedge funds would be significant. This is because advisers would need to collect less information under the proposed amendments than under the current requirements. In addition, the elements that they would no longer be required to collect under the proposed changes include elements that filers have identified as being particularly burdensome to collect and report.⁴⁰⁰

Costs

Taken together, these proposed changes would result in advisers reporting less information on qualifying hedge funds' exposure to counterparties, which could affect systemic risk monitoring and investor protection efforts. The proposed reduction in the number of categories of collateral for which advisers must provide details within several types of borrowing or other transaction would result in advisers reporting less granular information on qualifying hedge funds' collateral with different types of counterparties.⁴⁰¹ This could reduce the SEC's and FSOC's ability to assess qualifying hedge funds' vulnerability to certain types of risk, including contagion risk that could result from a counterparty's failure, which could reduce FSOC's ability to assess systemic risk compared to the current requirements. However, we do not expect that these effects would be significant. Advisers would report detailed information on qualifying hedge funds' most important counterparties and associated collateral in Questions 42 and 43. In addition, they would report information on these funds' consolidated exposure in Questions 18 and 26. Therefore, we expect that FSOC would be able to have visibility into potential counterparty

³⁹⁴ All filing advisers would therefore be required to complete Question 18 for all of their funds, except for the funds for which they complete Question 71.

³⁹⁵ Questions 41, 42, and 43 appear in section 2 of Form PF and apply to qualifying hedge funds advised by large hedge fund advisers. Under the proposed amendments, we estimate that there would be approximately 227 large hedge fund advisers advising approximately 1,378 qualifying hedge funds. See *supra* sections III.B.2 and III.C.3.

³⁹⁶ See instructions to Question 41 of Form PF.

³⁹⁷ See *supra* section II.L.

³⁹⁸ See *infra* section III.C.18 for estimates of cost savings associated with the proposed amendments.

³⁹⁹ This proposed change could also result in some advisers having to complete Questions 42(a) and 43(a) for additional counterparties, to the extent that they do not have five counterparties meeting the current specified thresholds (which relate to cash entries only).

⁴⁰⁰ For example, filers have expressed that prime brokers report to funds collateral on a pooled basis and do not generally unbundle classification of collateral by asset type. This makes it challenging for them to complete Question 41. See *supra* footnote 112 and accompanying text. Filers have also expressed that reporting the expected increase in collateral from a one percent margin increase, also required in Question 41, is particularly burdensome. See *supra* section II.L. Under the proposed amendments, both of these requirements would be eliminated.

⁴⁰¹ For example, with respect to consolidated counterparty exposures, the SEC and FSOC would not be able to distinguish between government securities and other securities received and posted as collateral by qualifying hedge funds.

risk, including contagion risk, to support its monitoring of systemic risk.

The proposed elimination of the requirement for advisers to specify the expected increase in collateral required to be posted by the fund if required margin increases by one percent of position size could reduce regulators' ability to assess qualifying hedge funds' vulnerability to changes in financing costs and sensitivity to margin changes, which could impact FSOC's ability to assess systemic risk. We expect that this effect would be mitigated by the possibility to assess qualifying hedge funds' sensitivity to market conditions by considering the liquidity of the assets held by the funds. For example, Question 37 requires large hedge fund advisers to report the percentage (by value) of a qualifying hedge fund's positions that could be liquidated within specific periods.⁴⁰² A fund able to liquidate assets in shorter periods is likely to be better able to meet an increase in required margin on short notice, making it more resistant to market conditions. Hence, we expect that regulators would continue to be able to assess qualifying hedge funds' sensitivity to changes in required margins under the proposed change.

The proposed elimination of the requirement for advisers to break down different types of borrowing across different types of counterparties (U.S. depository institutions, U.S. creditors that are not U.S. depository institutions, and non-U.S. creditors) would result in less information being reported on the type of creditors used by qualifying hedge funds for different types of borrowing. This could affect the assessment of qualifying hedge funds' vulnerability to certain types of risk, which could impact the assessment of systemic risk. For example, regulators would have less visibility into the amount of different types of borrowings that is obtained from non-U.S. creditors by qualifying hedge funds. This could affect their ability to assess whether

certain events affecting hedge funds could destabilize financial markets.⁴⁰³

We expect that this potential cost would be mitigated by two factors. First, under the proposed amendments, large hedge fund advisers would be required to complete Question 18 for their qualifying hedge funds.⁴⁰⁴ Hence, the SEC and FSOC would have information on a fund's total borrowings broken down by the same three types of counterparties.⁴⁰⁵ However, this mitigation would be partial. While the information from Question 18 would be available from large hedge fund advisers for the reporting period (that is, for a quarter), Question 41 must be completed as of the end of each of the months of the reporting period. In addition, this information would only be available for funds' total borrowings and would not be available by type of borrowing.

Second, this cost would be mitigated by the proposed amendments to Question 42(b) under which, for the creditors or other counterparties to which reporting funds owed amounts above certain thresholds, advisers would be required to indicate the type of borrowing or other transaction.⁴⁰⁶ In addition, when identifying these creditors or other counterparties, funds would have to consider all of their borrowing entries instead of only cash borrowing entries, resulting in potentially more creditors or other counterparties being identified and reported on. The SEC and FSOC would be able to use other information reported in Question 42(b), such as legal entity name and LEI, to classify identified creditors and other counterparties by type (U.S. depository institutions, U.S. creditors that are not U.S. depository institutions, and non-U.S. creditors). Hence, while the SEC and FSOC would lose access to monthly data on qualifying hedge funds' total borrowing broken down by type of

borrowing and type of creditor or other counterparty under the proposed amendments, they would receive this information at a disaggregated level at a quarterly frequency and for creditors or other counterparties reaching materiality thresholds. As a result, while FSOC's ability to monitor systemic risk could be affected by these proposed amendments, we do not expect that this effect would be significant.

Overall, the proposed elimination of Question 41 would result in the SEC and FSOC receiving less granular data on each qualifying hedge fund's aggregated exposure to counterparties. This could affect systemic risk assessment and monitoring. However, the proposed amendments to Questions 42 and 43 would result in additional and potentially more relevant data on individual counterparties that reach certain materiality thresholds. The proposed amendments to require advisers to consider all borrowing entries (for Question 42) and all borrowing or lending entries, as relevant, (for Question 43) instead of only cash borrowing entries and cash lending entries when determining which counterparties reach the materiality thresholds would result in the SEC and FSOC having a more complete picture of qualifying hedge funds' exposures to individual counterparties. While cash borrowing and lending entries are likely to capture unsecured borrowing and lending, which may represent higher counterparty risk for funds, other types of borrowing and lending also entail risk and are therefore important to analyze. For example, these proposed amendments would allow an easier assessment of whether a specific fund is under- or over-collateralized. In addition, these amendments would preserve the alignment between Questions 42 and 43,⁴⁰⁷ which allows the SEC and FSOC to have a more complete picture of a fund's exposure to counterparties. Hence, these amendments would support FSOC's assessment of systemic risk and mitigate the potential impact of the proposed elimination of Question 41.

For these reasons, we expect that any effect on the SEC's investor protection efforts that could result from the proposed amendments to large hedge fund adviser counterparty exposure reporting would be minimal. While the

⁴⁰² In addition, Question 20, which must be completed by all filing advisers and separately for all private funds that such advisers advise, requires an adviser to classify a fund's assets and liabilities into different categories capturing different valuation methods. Regulators can infer from this question the liquidity of a fund's assets. For example, assets that are valued with quoted prices in active markets ("Level 1" assets) are likely to be more liquid than assets valued using an adviser's own assumptions ("Level 3" assets). Relatedly, under the current Form PF, large hedge fund advisers are required to report to the SEC a qualifying hedge fund's margin default or inability to meet a call for margin, collateral, or equivalent. See Form PF section 5 Item D. Under the proposed amendments, this requirement would be eliminated. See *supra* section II.N.1 *infra* section III.C.15.

⁴⁰³ For example, certain events can affect some hedge funds' ability to borrow abroad, which could result in these funds resorting to selling assets in a short time frame.

⁴⁰⁴ See *supra* footnote 394 and accompanying text. We do not expect that the amendment to Question 18 would result in additional costs for large hedge fund advisers since they are likely to already have collected the required data for their qualifying hedge funds, or to already have set up a system to collect such data, to be able to complete Question 41. See *supra* text accompanying footnote 240.

⁴⁰⁵ Question 18 requires advisers to report a fund's total borrowings in dollars as well as the percentage that is borrowed from U.S. depository institutions, U.S. creditors that are not U.S. depository institutions, and non-U.S. creditors.

⁴⁰⁶ For the top five creditors identified in Question 42(a), indicating the type of borrowing or other transaction is currently required and would continue to be under the proposed amendments.

⁴⁰⁷ As opposed to, for example, amending Question 42 to require advisers to consider all borrowing entries while leaving the current requirement in Question 43 that advisers consider only cash borrowing and lending entries, as relevant.

proposed elimination of Question 41 would result in some information being unavailable, the proposed amendments to other questions would ensure the SEC retains access to information on counterparty exposure that is necessary for investor protection efforts.

14. Eliminate Rehypothecation Reporting

Question 45 must be completed by large hedge fund advisers and separately for each qualifying hedge fund that such advisers advise. The question requires advisers to report the percentages of the total amount of collateral and other credit support that counterparties have posted to the reporting fund that may be rehypothecated (subsection (a)(i)) and that the reporting fund has rehypothecated (subsection (a)(ii)). Under the proposed amendments, Question 45 would be eliminated.⁴⁰⁸

Benefits

All large hedge fund advisers to qualifying hedge funds would benefit from this proposed change via lower costs.⁴⁰⁹ The proposed elimination of Question 45 would reduce the costs associated with completing Question 45. These costs include the time and resources spent by advisers to keep track of the portion of the collateral and other credit support that their funds' counterparties have posted to the funds that may be rehypothecated and that have been rehypothecated. We understand from industry members that computing this data is operationally challenging.⁴¹⁰ The costs of computing the required data are likely to be higher for advisers of funds that have collateral or other types of credit support posted by a large number of counterparties. Hence, we expect that the decrease in cost is likely to be larger for such advisers.⁴¹¹

Costs

The proposed elimination of Question 45 would result in FSOC receiving no information on the amount of collateral and other credit support that counterparties have posted to qualifying hedge funds and that can be or have been rehypothecated. However, the data received for this question so far has proven unreliable,⁴¹² likely because of

the challenges faced by advisers to fulfill the requirements.⁴¹³ Hence, we do not expect that this proposed amendment would have significant effects on FSOC's ability to monitor systemic risk.

15. Amendments to Large Hedge Fund Adviser Current Reporting

Since December 2023, large hedge fund advisers have had to file a current report with the SEC when their qualifying hedge funds experience certain stress events: (1) extraordinary investment losses, (2) significant margin events and default events, (3) a prime broker relationship being terminated or materially restricted, (4) operations events, and (5) certain events associated with withdrawals and redemptions at the reporting hedge fund. The report must be filed as soon as reasonably practicable, but no later than 72 hours after a reportable event.⁴¹⁴ The proposed amendments would instead simply allow for the report to be submitted no later than 72 hours after a reportable event.⁴¹⁵ Furthermore, the proposed amendments would revise the section 5 filing triggers in three ways. First, the amendments would eliminate section 5 Item D—the obligation for an adviser to report a fund's margin default or inability to meet a call for margin, collateral, or equivalent.⁴¹⁶ Second, the amendments would modify the reporting trigger related to operations events.⁴¹⁷ Currently, section 5 Item G specifies that an "operations event" occurs when "a reporting fund or private fund adviser experiences a significant disruption or degradation of the reporting fund's critical operations" and that "critical operations" means "operations necessary for (i) the investment, trading, valuation, reporting, and risk management of the reporting fund; or (ii) the operation of the reporting fund in accordance with the Federal securities laws and regulations." The proposed amendments would remove "(ii) the operation of the reporting fund in accordance with the Federal securities laws and regulations" from the definition of "operations events" and would make other streamlining changes including removing references to "critical operations" in the form.⁴¹⁸

previously numbered as Question 38. *See supra* section II.M.

⁴¹³ *See supra* section II.M.

⁴¹⁴ *See* Form PF section 5.

⁴¹⁵ *See supra* section II.N.1.

⁴¹⁶ *See supra* section II.N.2.

⁴¹⁷ *See supra* section II.N.3.

⁴¹⁸ Relatedly, the bulleted item "Disruption or degradation of your ability to comply with applicable laws, rules, and regulations" would also

Third, the proposed amendments would modify the reporting trigger related to the inability to satisfy redemptions.

Currently, section 5 Item I requires large hedge fund advisers to submit a current report when a qualifying hedge fund it advises (1) is unable to pay redemption requests, or (2) has suspended redemptions and the suspension lasts for more than five consecutive business days. The proposed amendments would eliminate the first prong requiring advisers to file section 5 if the fund is unable to pay redemption requests.⁴¹⁹

Separately, in connection with the proposed removal of Questions 39 and 40, which require large hedge fund advisers to report detailed information about their qualifying hedge funds' monthly portfolio exposure to reference assets,⁴²⁰ the SEC proposes including additional information to Item B of section 5. Large hedge fund advisers would provide asset-level details regarding the largest exposure contributing to an extraordinary investment loss.

Benefits

The main benefit of these proposed amendments to Items D, G, and I of Form PF section 5 would be to reduce the burden for advisers that would have to file section 5 absent the proposed changes.⁴²¹ Separately, the proposed amendments to Item B would provide FSOC with targeted information regarding qualifying hedge funds' extraordinary investment losses, which would give timely notice of events that could potentially indicate broader market stress, supporting FSOC's monitoring of systemic risk.

The proposed amendments would remove the requirement that section 5 reports be filed with the SEC as soon as practicable, but no later than 72 hours upon the occurrence of the event, and would instead give a deadline of 72 hours after the triggering event.⁴²² This change would benefit large hedge fund advisers to the extent that they would otherwise divert additional resources to determine when to file a current report within the 72-hour period or to report the event sooner than the maximum

be removed from Question 5–29 in section 5 of Form PF under the proposed amendments. *See supra* section II.N.3.

⁴¹⁹ The proposed amendments would also include conforming changes to Questions 5–34 and 5–35. *See supra* section II.N.4.

⁴²⁰ *See supra* sections II.K and III.C.12.

⁴²¹ Section 5 applies to qualifying hedge funds advised by large hedge fund advisers. Under the proposed amendments, we estimate that there would be approximately 227 such advisers advising approximately 1,378 qualifying hedge funds. *See supra* sections III.B.2 and III.C.3.

⁴²² *See supra* section II.N.1.

⁴⁰⁸ *See supra* section II.M.

⁴⁰⁹ Under the proposed amendments, we estimate that there would be approximately 227 large hedge fund advisers advising approximately 1,378 qualifying hedge funds. *See supra* sections III.B.2 and III.C.3.

⁴¹⁰ *See supra* section II.M.

⁴¹¹ *See infra* section III.C.18 for estimates of cost savings associated with the proposed amendments.

⁴¹² Before the 2024 amendments, the requirements appeared under the question that was

deadline. For instance, under the baseline, an adviser whose qualifying hedge fund experiences a holding period return of less than negative 20 percent may opt to utilize resources and personnel to file the current report within a short period after the loss. The proposed amendments would benefit the adviser by allowing more flexibility to report the loss. The additional flexibility that would be afforded by the amendments could also improve the quality of the data contained in the reports,⁴²³ which would improve its utility for FSOC's monitoring of systemic risk and the SEC's investor protection efforts.

Additionally, the proposed amendments to section 5 would reduce the costs associated with monitoring for occurrences that trigger current reporting requirements for large hedge fund advisers to qualifying hedge funds. For the purposes of section 5 current reporting, these advisers would not need to continuously monitor occurrences that trigger Item D reporting or constitute an operations event in Item G solely via the second prong of the definition. Large hedge fund advisers would likely still monitor for significant events in the absence of the current reporting requirement, which would mitigate the cost-savings benefit associated with the proposed amendments to section 5.⁴²⁴ However, some large hedge fund advisers have indicated since the requirement was adopted that monitoring for Item D continuously is operationally burdensome due to its lack of a materiality threshold.⁴²⁵ Hence, some large hedge fund advisers may realize larger ongoing cost savings from the proposed elimination of this Item. Similarly, some large hedge fund advisers have had difficulty interpreting the scope of the second prong of the definition of "operations event" in Item G, which refers to the reporting fund's operation in accordance with Federal securities laws and regulations in the definition of "critical operations."⁴²⁶ This difficulty may increase the current burden associated with determining whether an incident meets the definition of an operations event, which would further contribute to the ongoing costs of large hedge fund advisers. Thus, we anticipate meaningful ongoing cost savings from the proposed amendments to Items D and G of Form PF section 5.

In addition to monitoring for specific events, the compliance costs associated with section 5 reporting also include the costs to complete the report when reportable events occur.⁴²⁷ The extent to which these compliance costs would decrease under the proposed changes depends on the occurrence of reporting events that would result in advisers filing section 5 under the current version of Form PF but not under the proposed changes. Under the proposed changes, the SEC would not receive any Item D filings and potentially fewer Item G filings. Given that there have been relatively few section 5 filings related to Item D or Item G,⁴²⁸ the aggregate reduction in costs associated with these proposed changes to section 5 is likely to be small.

Eliminating the inability to pay redemption requests as a reporting trigger for Item I would modestly lower the number of current reports filed by large hedge fund advisers for this item.⁴²⁹ Advisers with qualifying hedge funds that cannot pay redemption requests but do not need to suspend redemptions for more than five consecutive business days would save on the costs associated with submitting a current report for Item I. Additionally, some filers have raised concerns regarding the interpretation and application of this prong of the Item I trigger.⁴³⁰ Some filers have asked whether the trigger includes all circumstances in which a fund does not fulfill a redemption request in cash. For instance, some hedge funds currently meet investor redemption requests with in-kind payments of underlying portfolio securities, sometimes at the request of fund investors to avoid negative tax consequences or as a matter of course. Some large hedge fund advisers may conservatively interpret the scope of this trigger as including some or all of these circumstances, leading to additional compliance burdens for these advisers. Eliminating this element of the Item I trigger could therefore modestly lower ongoing costs, including in cases when the fund is able to fulfill redemption requests in kind.⁴³¹

⁴²⁷ See *infra* section III.C.18. We estimate that the reduction in compliance costs associated with the elimination of Item D and the modification of Item G would be \$8,873 per filing that would be submitted under the current requirements but not under the proposed amendments. See also *infra* section IV.A.3. The additional proposed amendments to section 5, relating to Item B, are discussed below.

⁴²⁸ Items D and G have been infrequently filed with the SEC.

⁴²⁹ Item I has been infrequently filed with the SEC under this prong.

⁴³⁰ See *supra* section II.N.4.

⁴³¹ See *supra* footnote 429.

The proposed amendments would also require that large hedge fund advisers provide specific information in conjunction with a section 5 Item B filing indicating a qualifying hedge fund's holding period return of less than or equal to negative 20 percent. The new sub-question would request identifying and descriptive information for the largest exposure contributing to the reported loss, including the dollar amount of the exposure, sub-asset class, instrument type, a title or description of the asset, and identifying information about the asset's issuer. The information introduced by this proposed amendment overlaps with reference asset information that would not be received due to the proposed elimination of Question 40.⁴³² In contrast with Question 40, which applies to any of the reporting fund's reference assets with gross exposure equal to or exceeding certain thresholds, the proposed additional information in section 5, Item B would only be reported by large hedge fund advisers for a single asset contributing to their qualifying hedge fund's extraordinary investment loss. Thus, while these filings would be less frequent and comprehensive than the information currently reported in Question 40, they would provide FSOC with more timely indicia of acute market stress, substantially mitigating the cost of eliminating Question 40.⁴³³

Costs

The proposed amendment to modify the requirement that section 5 reports be filed with the SEC as soon as practicable, but no later than 72 hours upon the occurrence of the event to instead give a deadline of 72 hours after the triggering event could delay the SEC's receipt of section 5 reports. We expect that any such delay would not significantly affect FSOC's ability to monitor systemic risk or the SEC's investor protection efforts given that the deadline would still be limited to 72 hours.

The proposed elimination of Item D could, in principle, result in less information available to the SEC and FSOC on funds' events of margin default or inability to meet a call for margin, collateral, or equivalent, to the extent that these events would not be captured by other requirements of Form PF. However, given the potential overlap in the information provided by Items B, C, and D,⁴³⁴ we do not anticipate that the

⁴³² See *supra* section II.K.

⁴³³ See *supra* section III.C.12.

⁴³⁴ Large hedge fund advisers must file an Item B report when one of their qualifying hedge funds

⁴²³ See *supra* section II.N.1.

⁴²⁴ See 2023 Form PF Adopting Release section IV.C.2.

⁴²⁵ See *supra* section II.N.2.

⁴²⁶ See *supra* section II.N.3.

removal of Item D would significantly hinder detection of margin stress in qualifying hedge funds which could contribute to systemic risk. In particular, if a fund is unable to meet a margin call, there is a higher probability that the fund has suffered a large investment loss or has faced a large margin, collateral, or equivalent increase. On the other hand, a fund can experience a large investment loss or face a large margin, collateral, or equivalent increase without defaulting on the margin call. That is, Items B and C are likely to be more sensitive triggers with respect to margin stress at a hedge fund. Therefore, it is unlikely that the proposed elimination of Item D would affect systemic risk monitoring or investor protection.

Removing the second prong from Item G would narrow the scope of what constitutes “critical operations.” However, we expect that this proposed change would only modestly decrease the number of reports filed, which the SEC already receives only infrequently.⁴³⁵ Compared to the first prong, the second prong is a broader catchall for other situations that might cause a fund or adviser to be unable to comply with rules or violate a fiduciary duty. Therefore, we do not expect that its elimination would lead to a significant reduction in the number of reports relevant for systemic risk assessment or investor protection received by the SEC and FSOC because most situations would likely be captured by the first prong.

Removing the first prong from Item I would narrow the scope of events that would require a section 5 filing under Item I. Temporary events in which funds are unable to meet certain redemption requests but do not suspend redemption requests for more than five consecutive days would not be reported. Thus, the removal of this prong could, in principle, eliminate an early indicator of stress in broader market liquidity that could support FSOC’s monitoring of systemic risk. For the same reasons, the proposed change could also affect the SEC’s investor protection efforts. However, filers have indicated that it is unclear whether a current report is required to be filed if a fund redeems an investor by providing securities as a matter of course or at investor request to avoid negative tax consequences.⁴³⁶ Filers have also stated that the first prong of Item I, as currently

worded, does not align with industry practice because an “in-kind redemption” generally is not considered a failure to satisfy a redemption request under fund partnership agreements or similar types of contractual arrangements. Relatedly, reporting under the first prong of Item I has been inconsistent across large hedge fund advisers, limiting its use for systemic risk monitoring and investor protection efforts. Current reporting under the second prong of item I as well as other current reporting requirements such as those related to extraordinary investment losses in Item B could be stronger signals of systemic events or investor harm, mitigating the costs of removing the first prong.

Finally, the proposed amendments to Item B of section 5 would impose some costs on large hedge fund advisers. Proposed Item B would require specific identifying and descriptive information regarding the largest exposure contributing to an extraordinary investment loss. We do not anticipate that these costs would be significant, as the new question would not change whether a large hedge fund adviser must file section 5. Moreover, fund managers are likely aware of the identity and dollar size of the largest exposure which contributes to substantial fund losses. We therefore do not expect that identifying and reporting the new information that would be required in this Item would lead to a substantial new burden for large hedge fund advisers.⁴³⁷

16. Eliminate Form PF Private Equity Quarterly Reporting in Section 6

Since December 2023, advisers to private equity funds have had to file quarterly reports with the SEC within 60 days of the end of each calendar quarter during which a private equity reporting event occurs.⁴³⁸ The events that trigger section 6 reporting are the occurrence of an adviser-led secondary transaction, general partner removal, termination of the investment period, or termination of fund.⁴³⁹ The proposed amendments would eliminate section 6 from Form PF.⁴⁴⁰ The SEC has received approximately 176 section 6 filings per year since December 2023.

⁴³⁷ In addition, advisers are likely to already have in place systems to collect at least some of this information in order to be able to complete Question 40. *See supra* section III.C.12; *see also supra* text accompanying footnote 240.

⁴³⁸ *See supra* section II.O.

⁴³⁹ *See* Form PF section 6.

⁴⁴⁰ *See supra* section II.O.

Benefits

This proposed amendment would result in advisers to private equity funds no longer submitting quarterly reports to the SEC indicating the occurrence of a private equity reporting event.⁴⁴¹ Benefits would accrue to advisers to private equity funds in the form of cost savings. The proposed removal of section 6 would eliminate the ongoing costs associated with filing section 6 quarterly reports. These ongoing costs include the costs associated with monitoring private equity reporting events during each calendar quarter and compliance costs associated with actual filings. The cost of monitoring for section 6 reporting is likely to be small, as private equity fund advisers would be aware of the occurrence of an adviser-led secondary transaction, general partner removal, termination of the investment period, or termination of fund even in the absence of the reporting requirement. The main cost saving that would result from the proposed elimination of section 6 would therefore come from the elimination of filing costs due to the time required to complete the relevant item.⁴⁴² Given that there have been relatively few section 6 quarterly reports filed with the SEC,⁴⁴³ the aggregate cost savings to eliminating section 6 is also likely to be small.⁴⁴⁴

Costs

Section 6 of Form PF informs the SEC and FSOC of the removal of a private equity fund’s general partner, the termination of a private equity fund or its investment period, or the occurrence of an adviser-led secondary transaction. Eliminating section 6 could reduce the efficiency with which the SEC and FSOC identify significant changes in some types of private equity market trends and potential growing risks to

⁴⁴¹ Section 6 applies to private equity fund advisers that are required to file Form PF. Under the proposed amendments, we estimate that there would be approximately 1,143 such advisers, advising approximately 19,620 private equity funds. *See supra* sections III.B.2 and III.C.2.

⁴⁴² Section 6 filings must be filed on a timeframe outside of the regular Form PF reporting frequency for private equity funds, which can add to the burden for filing advisers.

⁴⁴³ There have been approximately 176 section 6 reports filed with the SEC per year since the December 2023 compliance date of the 2023 Form PF amendments. Dividing 176 reports per year by 24,986 private equity funds as reported on Form PF as of the first quarter of 2025 corresponds to fewer than 1% of private equity funds filing reports per year.

⁴⁴⁴ *See infra* section III.C.18. We estimate that the reduction in compliance costs associated with the elimination of section 6 would be \$5,508 per report that would be submitted under the current requirements but not under the proposed amendments. *See also infra* section IV.A.3.

experiences an extraordinary loss and an Item C report when one of their qualifying hedge funds experiences a significant margin, collateral, or equivalent increase. *See* Form PF section 5.

⁴³⁵ *See supra* footnote 428.

⁴³⁶ *See supra* section II.N.4.

investors and broader financial markets, to the extent that these relevant market trends and risks are not captured by answers to questions in section 1 and section 4 of Form PF. For instance, without the information on a private equity fund's adviser-led secondary transaction, the SEC and FSOC would have limited visibility into changes in the prevalence of private equity continuation funds, which may carry investor protection as well as systemic risk concerns.⁴⁴⁵

We anticipate the impact of eliminating section 6 reports on market risks monitoring and investor protection efforts would likely be limited due to two factors. First, section 6 reports may be an imprecise signal of systemic risk, which could limit their efficacy for systemic risk monitoring efforts. An adviser-led secondary transaction in some instances may indicate an attempt to restructure a struggling investment portfolio, but alternatively it may indicate strength in a particular investment or simply be an adviser providing investors a chance to get liquidity while attracting new investors.⁴⁴⁶ Second, section 6 reports have occurred relatively infrequently since the reporting requirement was implemented.⁴⁴⁷ Combined with the imprecision of the reports as a signal for systemic risk, this infrequency suggests that the amount of information loss relevant for this purpose that would result from the proposed elimination of section 6 is likely to be small. Overall, we therefore anticipate that the loss of information relevant to systemic risk monitoring and investor protection efforts that would result from the proposed elimination of section 6 would be minimal.

17. Other Corrections and Revisions

The proposed amendments include additional changes to make corrections and other small revisions to Form PF.⁴⁴⁸ These changes include (1) revising some of the section headings; (2) correcting

the instructions in sections 3 and 4 and simplify the instructions in section 2; (3) simplifying instructions about Question 25; (4) correcting Questions 27 and 42; (5) correcting Question 33(a); (6) adding an instruction to Question 47; and (7) correcting an error in the definition of "large private equity fund adviser" in the Glossary of Terms.

Under the proposed amendments, the heading of section 2 would be modified to specify that section 2 must be completed by large hedge funds advisers, the heading of section 3 would be modified to specify that section 3 must be completed by large liquidity fund advisers, and the heading of section 4 would be modified to specify that section 4 must be completed by large private equity fund advisers.⁴⁴⁹ We expect that these changes would have minimal economic effect, since General Instruction 9 describes clearly the types of advisers that are required to complete each section of Form PF. Hence, we do not expect that this change would result in fewer or additional sections of Form PF being completed.

Under the proposed amendments, instructions to sections 2, 3, and 4 would be modified. Currently, the instructions for sections 3 and 4 erroneously state that, with respect to master-feeder arrangements and parallel fund structures, filers may report collectively or separately about the component funds, as provided in the General Instructions.⁴⁵⁰ However, General Instruction 6 requires filers to report such component funds separately, subject to some exceptions. Under the proposed amendments, the instructions to sections 3 and 4 would be modified to be consistent with General Instruction 6. The proposed amendments would remove instructions in section 2 about how to report component funds and instead rely on General Instruction 6 to instruct filers about how to report component funds, to ensure that the instructions for sections 2, 3, and 4 follow a consistent format. We do not expect that these changes would have significant economic effects since current General Instruction 6 indicates that each component fund of a master-feeder

structure or parallel fund structure must be reported separately. However, the proposed change could result in reduced compliance costs for advisers by facilitating their understanding of how to report the components of such structures in Form PF. In addition, to the extent that some advisers concluded that the component funds could be reported on collectively in sections 3 and 4, the proposed changes could result in improved data quality and finer granularity of information available, as all component funds would be reported on consistently across advisers, which could improve systemic risk monitoring and investor protection efforts. However, this could also result in additional costs for advisers, to the extent that reporting for each component separately is more costly than reporting collectively for all components.

Under the proposed amendments, General Instruction 15 and the instructions to Question 25 would be modified. Currently, General Instruction 15 states that for Question 25, the numerator used to determine the percentage of net asset value should be measured in the same basis as gross asset value. It also states that the response to this question may total more than 100 percent.⁴⁵¹ Under the proposed amendments, the section of General Instruction 15 that is specific to Question 25 would be moved to Question 25.⁴⁵² We do not expect that this change would have significant economic effect as it does not alter the substance of any instructions. However, the proposed change could result in reduced costs for advisers by facilitating their understanding of the requirements for Question 25.

Under the proposed amendments, the instructions in Questions 27 and 42 would be modified to state that advisers report a legal entity name for certain affiliated counterparty entities of qualifying hedge funds. Currently, the instructions to these questions mention the LEI of the entities, but not the legal entity name. The tables to be filled in those questions include columns for "legal entity name," and so we expect that filers already understand the requirement and would most likely fill the legal entity name under the current instructions. Hence, we expect the effect of this proposed change would be minimal.

Question 33 asks large hedge fund advisers to report monthly information on their qualifying hedge funds' currency exposure arising from foreign

⁴⁴⁵ A continuation fund is raised by a private fund adviser to provide exit liquidity to limited partners in an existing private fund by purchasing some of the fund's portfolio companies. *See, e.g.,* Antoine Guera & Ivan Livingston, "Private equity firms flip assets to themselves in record numbers", *Fin. Times*, July 23, 2025, available at <https://www.ft.com/content/88a4e3e3-cefb-48d8-ab81-75cf85039b83>. This may raise investor protection concerns as the same private fund adviser is party to both sides of the transaction, and the adviser's carry in both funds may be influenced by the terms of the transaction. An increase in the use of continuation funds in private equity may also signal underlying stress in the market.

⁴⁴⁶ *See* May 2023 Form PF Adopting Release at section II.B.1.

⁴⁴⁷ *See supra* footnote 443.

⁴⁴⁸ *See supra* section II.P.

⁴⁴⁹ The current headings for sections 2 and 3 do not specify who must complete these sections. The heading for section 4 currently erroneously indicates that it must be completed by all large private fund advisers. *See* Form PF sections 2, 3, and 4.

⁴⁵⁰ *See* Form PF sections 3 and 4. The instructions for section 2 specify that for such arrangements and structures that comprise qualifying hedge funds, filers must report the component funds as provided in General Instructions 3, 5, and 6. *See* Form PF section 2.

⁴⁵¹ *See* Form PF General Instruction 15.

⁴⁵² *See supra* section II.P.

exchange derivatives and all other assets and liabilities of the funds that are denominated in a currency other than the reporting fund's base currency. The table in Question 33(a) requires advisers to report both the "long value" and the "short value," while the question text erroneously requires advisers to report the "net long value" and the "net short value." Under the proposed change, the question text would be corrected to ask for the "long value" and "short value," consistent with the table. The proposed change could result in reduced costs for advisers by facilitating their understanding of the requirements. However, we expect the reduced costs to be minimal as we expect most advisers already understand the correct requirement. To the extent that it would result in different data being reported by advisers, the proposed change would also improve data quality compared to the current requirements by ensuring consistent responses across filers. This would improve the SEC's and FSOC's understanding of qualifying hedge funds' currency exposure and support the identification of sources of systemic risk. To the extent that this proposed change would result in advisers reporting different data, we do not expect that the corrected data point would be more costly for advisers to compute since long and short values are required to calculate net values.

Question 47 requires large hedge fund advisers to separate the effects of certain market factors on their qualifying hedge funds' portfolios into long and short components. The proposed change would add an instruction to require filers to indicate a negative effect of the market factor change on the long and short components with a negative sign and a positive effect of the market factor change on the long and short components with a positive sign.⁴⁵³ We expect that this proposed change would result in benefits for advisers and improve the quality of information submitted. Under the current question, some advisers have questioned whether to report short values with a negative

value or as an absolute value.⁴⁵⁴ The proposed change would result in advisers not having to spend time and compliance resources determining how to answer the question, including by contacting the SEC. The proposed change would also result in improved data quality by helping ensure that all advisers report the effect of market factor changes on the long and short components of their portfolio consistently, which would help with data interpretation and aggregation. This would facilitate regulators' assessment of the sensitivity of qualifying hedge funds to certain market factors, which would help systemic risk monitoring and assessment. We do not expect that this proposed change would result in additional costs for advisers of qualifying hedge funds as the information to be computed to answer the questions would remain unchanged. Only the way to report them in the form could change, depending on how advisers currently understand the question.

Lastly, the proposed amendments would correct an error in the definition of "large private equity fund adviser" in the Glossary of Terms.⁴⁵⁵ Specifically, the definition would be amended to refer to section 4 rather than section 4a, as there is no section 4a on Form PF. We expect that this change would have negligible economic effect, as General Instruction 3 correctly directs large private equity fund advisers to complete section 4. We therefore do not believe the current erroneous reference is causing meaningful confusion and do not expect the change would result in fewer or additional sections of Form PF being completed.

18. Quantification of Benefits

We quantify the reductions in costs that would result from the proposed amendments.⁴⁵⁶ These analyses are

⁴⁵⁴ See *supra* section II.P.

⁴⁵⁵ *Id.*

⁴⁵⁶ These reductions in cost are obtained by comparing the cost of filing the current version of Form PF with the estimated cost of filing the version of Form PF under the proposed amendments. For both versions, we use the methodology described in section IV.A.3 below. See *infra* footnote 534. In all tables in this section,

structured based on the analysis in the Paperwork Reduction Act section in this release and the corresponding previously approved estimates described in the 2024 Form PF Adopting Release or the May 2023 Form PF Adopting Release, as relevant. Estimates for initial filings represent effects for new filers of Form PF, whereas estimates for ongoing filings represent effects for existing filers of the form.

We provide estimates of the cost reductions for each type of adviser, since different types of advisers complete different sections of Form PF and would therefore experience different cost reductions under the proposed amendments.⁴⁵⁷ We also distinguish between regular filings (those including sections 1 to 4 of Form PF, as relevant for each adviser),⁴⁵⁸ the filings for sections 5 and 6,⁴⁵⁹ as well as transition and final filings and temporary hardship requests.⁴⁶⁰ For regular filings, we distinguish between initial and ongoing filings since we expect that initial filings are and would continue to be more costly for advisers to complete.⁴⁶¹

negative numbers are indicated in parentheses and capture reductions in costs. In addition, we quantify some costs of the proposed amendments above. Specifically, any adviser that is currently filing Form PF but would not be required to under the proposed amendments would have to make a final filing with the SEC indicating that it would no longer be subject to Form PF's reporting requirements. The cost of these final filings is estimated to be \$70,479 (\$41 per filing multiplied by 1,719 advisers). See *supra* footnote 255 and accompanying text. Similarly, any adviser that is currently filing Form PF as a large hedge fund adviser but would not meet the definition of large hedge fund adviser under the proposed amendments would have to make a transition filing with the SEC indicating that it would no longer be obligated to report on a quarterly basis. The cost of these transition filings is estimated to be \$15,990 (\$41 per filing multiplied by 390 advisers). See *supra* footnote 282 and accompanying text. These quantified costs total \$86,469 (\$70,479 + \$15,990).

⁴⁵⁷ See *supra* section III.B.1.

⁴⁵⁸ See *infra* Tables 6–8.

⁴⁵⁹ See *infra* Tables 9–10.

⁴⁶⁰ See *infra* Table 11.

⁴⁶¹ An adviser filing Form PF for the first time has to familiarize itself with the form and may need to configure its systems in order to efficiently gather the required information, which is likely to result in higher costs.

⁴⁵³ See proposed Form PF Question 47.

Tables 6 and 7 below provide separate estimates of the annual cost reductions that would result from (1) the proposed changes in the general filing threshold

and the large hedge fund adviser reporting threshold and (2) the other proposed amendments, respectively.⁴⁶² Table 8 presents the aggregate annual

cost savings for initial and ongoing filings by adviser type and is obtained by summing the aggregate effects in Tables 6 and 7.⁴⁶³

TABLE 6—THRESHOLD EFFECT (SECTIONS 1–4)

Type of adviser	Type of filing	Number of filers under current thresholds ¹	Number of filers under proposed thresholds ²	Decrease in number of filers under proposed amendments ³	Decrease in number of filings per year under proposed amendments ⁴	Cost per filing under current form ⁵	Aggregate effect ⁶
Smaller private fund advisers	Initial	466	244	222	222	⁷ \$41,308	(\$9,170,265)
	Ongoing	2,429	⁸ 1,272	1,157	1,157	⁹ 10,600	(12,264,200)
Large hedge fund advisers	Initial	14	5	9	9	¹⁰ 260,796	(2,347,164)
	Ongoing	603	222	381	¹¹ 1,524	¹² 83,750	(127,635,000)
Large liquidity fund advisers	Initial	1	1	.....	.....	¹³ 165,039	0
	Ongoing	19	19	.....	.....	¹⁴ 41,000	0
Large private equity fund advisers	Initial	30	30	.....	.....	¹⁵ 191,128	0
	Ongoing	511	511	.....	.....	¹⁶ 69,025	0

Notes:

- These estimates are based on Form PF data as of the first quarter of 2025.
- See *infra* section IV.A.3, Tables 2 and 3.
- This column is calculated as the difference between the preceding two columns.
- Large hedge fund advisers and large liquidity fund advisers file Form PF quarterly. Smaller private fund advisers and large private equity fund advisers file Form PF annually. See Form PF General Instruction 9.
- This cost is calculated as the previously approved estimate of burden hours monetized using the new methodology. Previously approved estimates of burden hours are described in the 2024 Form PF Adopting Release, section V. See *infra* footnotes 533 and 534.
- The aggregate effect is obtained by multiplying the cost per filing under the current Form by the decrease in number of filings per year under the proposed amendments.
- This includes \$31,158 in internal costs, \$10,000 in external costs, and a \$150 filing fee. For internal costs, the hour burden is 55 hours, which is divided equally between a financial manager at \$731 per hour and a financial risk specialist at \$402 per hour ($0.5 \times 55 \times 731 + 0.5 \times 55 \times 402 = 31,158$).
- This number includes the 390 hedge fund advisers that are currently large hedge fund advisers but that would not be under the proposed amendment to the reporting threshold for large hedge fund advisers. See *supra* section III.C.3.
- This includes \$10,450 in internal costs and a \$150 filing fee. For internal costs, the hour burden is 22 hours, which is divided between a financial manager (25%) at \$731 per hour, a financial examiner (25%) at \$365 per hour, and a financial risk specialist (50%) at \$402 per hour ($0.25 \times 22 \times 731 + 0.25 \times 22 \times 365 + 0.5 \times 55 \times 402 = 10,450$).
- This includes \$190,646 in internal costs, \$70,000 in external costs, and a \$150 filing fee. For internal costs, the hour burden is 380 hours, which is divided between a financial manager (30%) at \$731 per hour, a financial risk specialist (30%) at \$402 per hour, a software developer (20%) at \$462 per hour, and a computer systems analyst (20%) at \$347 per hour ($0.3 \times 380 \times 731 + 0.3 \times 380 \times 402 + 0.2 \times 380 \times 462 + 0.2 \times 380 \times 347 = 190,646$).
- This is calculated as the decrease in the number of filers in the preceding column times 4 to reflect the quarterly filing requirement for large hedge fund advisers.
- This includes \$83,600 in internal costs and a \$150 filing fee. For internal costs, the hour burden is 176 hours, which is divided between a financial manager (25%) at \$731 per hour, a financial examiner (25%) at \$365 per hour, and a financial risk specialist (50%) at \$402 per hour ($0.25 \times 176 \times 731 + 0.25 \times 176 \times 365 + 0.5 \times 176 \times 402 = 83,600$).
- This includes \$114,889 in internal costs, \$50,000 in external costs, and a \$150 filing fee. For internal costs, the hour burden is 229 hours, which is divided between a financial manager (30%) at \$731 per hour, a financial risk specialist (30%) at \$402 per hour, a software developer (20%) at \$462 per hour, and a computer systems analyst (20%) at \$347 per hour ($0.3 \times 229 \times 731 + 0.3 \times 229 \times 402 + 0.2 \times 229 \times 462 + 0.2 \times 229 \times 347 = 114,889$).
- This includes \$40,850 in internal costs and a \$150 filing fee. For internal costs, the hour burden is 86 hours, which is divided between a financial manager (25%) at \$731 per hour, a financial examiner (25%) at \$365 per hour, and a financial risk specialist (50%) at \$402 per hour ($0.25 \times 86 \times 731 + 0.25 \times 86 \times 365 + 0.5 \times 86 \times 402 = 40,850$).
- This includes \$140,978 in internal costs, \$50,000 in external costs, and a \$150 filing fee. For internal costs, the hour burden is 281 hours, which is divided between a financial manager (30%) at \$731 per hour, a financial risk specialist (30%) at \$402 per hour, a software developer (20%) at \$462 per hour, and a computer systems analyst (20%) at \$347 per hour ($0.3 \times 281 \times 731 + 0.3 \times 281 \times 402 + 0.2 \times 281 \times 462 + 0.2 \times 281 \times 347 = 140,978$).
- This includes \$68,875 in internal costs and a \$150 filing fee. For internal costs, the hour burden is 145 hours, which is divided between a financial manager (25%) at \$731 per hour, a financial examiner (25%) at \$365 per hour, and a financial risk specialist (50%) at \$402 per hour ($0.25 \times 145 \times 731 + 0.25 \times 145 \times 365 + 0.5 \times 145 \times 402 = 68,875$).

TABLE 7—THRESHOLD EFFECT (SECTIONS 1–4)

Type of adviser	Type of filing	Number of filers under current thresholds ¹	Number of filers under proposed thresholds ²	Decrease in number of filers under proposed amendments ³	Decrease in number of filings per year under proposed amendments ⁴	Cost per filing under current form ⁵	Aggregate effect ⁶
Smaller private fund advisers	Initial	244	244	\$41,308	\$31,677	\$9,631	(\$2,349,842)
	Ongoing	1,272	1,272	10,600	8,700	1,900	(2,416,800)
Large hedge fund advisers	Initial	5	5	260,796	205,609	55,187	(275,935)
	Ongoing	222	888	83,750	58,575	25,175	(22,355,400)

⁴⁶² Advisers that would no longer be required to file Form PF due to the proposed filing threshold increase would experience cost savings equal to their baseline cost of filing the form. Advisers that would continue to be required to file the same sections at the same frequency (notwithstanding the higher proposed thresholds) would experience cost savings due to the other proposed amendments to Form PF. Advisers that meet the current definition of large hedge fund advisers but would be smaller private fund advisers under the proposed amendments would experience cost savings due to the difference between the baseline cost of filing for large hedge fund advisers and the baseline cost for smaller private fund advisers, as well as cost

savings due to the estimated reduction in the cost of filing section 1 that would result from the proposal. Table 6 reports the aggregate cost savings due to threshold effects by type of adviser and accounts for changes in type that some large hedge fund advisers would experience due to the proposed large hedge fund adviser threshold increase. Table 7 reports the aggregate cost savings that advisers would experience due to amendments to sections 1 and 2 of Form PF. See also *infra* note 8 in Table 6.

⁴⁶³ The total reduction in costs for a particular type of adviser and a particular type of filing that would result from the proposed amendments is the difference between (1) the cost per filing the current

version of Form PF times the number of filings that would be made under the current requirements (denoted $Cost_{Baseline} \times N_{Baseline}$) and (2) the estimated cost per filing under the proposed amendments times the number of filings that would be made under the proposed amendments ($Cost_{Proposal} \times N_{Proposal}$). This difference can be expressed as the sum of (1) the reduction in costs that would result from the proposed threshold changes, $Cost_{Baseline} \times (N_{Baseline} - N_{Proposal})$, and (2) the estimated reduction in costs that would result from the other proposed amendments for filers unaffected by the proposed threshold increases, $N_{Proposal} \times (Cost_{Baseline} - Cost_{Proposal})$.

TABLE 7—THRESHOLD EFFECT (SECTIONS 1–4)—Continued

Type of adviser	Type of filing	Number of filers under current thresholds ¹	Number of filers under proposed thresholds ²	Decrease in number of filers under proposed amendments ³	Decrease in number of filings per year under proposed amendments ⁴	Cost per filing under current form ⁵	Aggregate effect ⁶
Large liquidity fund advisers	Initial	1	1	165,039	156,478	8,561	(8,561)
	Ongoing	19	76	41,000	39,100	1,900	(144,400)
Large private equity fund advisers	Initial	30	30	191,128	182,534	8,594	(257,811)
	Ongoing	511	511	69,025	67,125	1,900	(970,900)

Notes:

1. See *infra* section IV.A.3, Tables 2 and 3.
2. Large hedge fund advisers and large liquidity fund advisers file Form PF quarterly. Smaller private fund advisers and large private equity fund advisers file Form PF annually. See Form PF General Instruction 9.
3. See notes 7–16 in Table 6.
4. This is the sum of internal costs, external costs, and a \$150 filing fee. See *infra* section IV.A.3 at Tables 6, 7, and 10.
5. This column is calculated as the difference between the preceding two columns.
6. The aggregate effect is obtained by multiplying the decrease in cost per filing under the proposed amendments by the number of filings per year under the proposed thresholds.

TABLE 8—TOTAL EFFECT (SECTIONS 1–4)

Type of adviser	Type of filing	Aggregate effect
Smaller private fund advisers	Initial	(\$11,520,107)
	Ongoing	(14,681,000)
Large hedge fund advisers	Initial	(2,623,099)
	Ongoing	(149,990,400)
Large liquidity fund advisers	Initial	(8,561)
	Ongoing	(144,400)
Large private equity fund advisers	Initial	(257,811)
	Ongoing	(970,900)

Tables 9 and 10 below present estimates of annual cost reductions that would result from the proposed amendments to section 5 of Form PF and from the proposed elimination of section 6 of Form PF, respectively. The

estimated cost reductions in Table 9 are due to the estimated decrease in the number of section 5 reports that would be filed by advisers under the proposed amendments.⁴⁶⁴ The estimated cost reductions in Table 10 would result

from smaller private fund advisers that advise private equity funds and large private equity fund advisers no longer submitting section 6 filings during fiscal quarters in which private equity reporting events occur.⁴⁶⁵

TABLE 9—TOTAL EFFECT (SECTION 5)

Type of adviser	Number of reports under current Form ¹	Number of reports under proposed amendments ²	Cost per report under current Form ³	Cost per report under proposed amendments ⁴	Aggregate effect ⁵
Large hedge fund advisers	258	94	\$8,873	\$8,873	(\$1,445,213)

Notes:

1. These estimates are based on Form PF data as of the first quarter of 2025.
2. See *infra* section IV.A.3 at Table 4.
3. This cost is calculated as the previously approved estimate of burden hours monetized using the new methodology. Previously approved estimates of burden hours are described in the May 2023 Form PF Adopting Release, section V. See *infra* footnotes 533 and 534. This cost captures an internal burden of ten hours, which is divided between a legal professional (5.5 hours) at \$744 per hour, a financial risk specialist (2.25 hours) at \$402 per hour, and a financial manager (2.25 hours) at \$731 per hour ($5.5 \times 744 + 2.25 \times 402 + 2.25 \times 731 = 6,641$).
4. This is the sum of internal costs and external costs. See *infra* section IV.A.3 at Tables 8 and 11.
5. The aggregate effect is obtained by calculating the difference between (1) the number of reports under the current Form multiplied by the cost per report under the current Form and (2) the number of reports under the proposed amendments multiplied by the cost per report under the proposed amendments.

TABLE 10—TOTAL EFFECT (SECTION 6)

Type of adviser	Number of reports under current Form ¹	Number of reports under proposed amendments	Decrease in number of reports under proposed amendments ²	Cost per report under current Form ³	Aggregate effect ⁴
Smaller private fund advisers	132	0	132	\$5,508	(\$727,089)

⁴⁶⁴ This would result from both the decrease in the number of filers required to file section 5 under the proposed amendments as well as proposed changes to the requirements within section 5. As

discussed above, we do not expect that the proposed amendments to Item B of section 5 and to the current reporting filing deadline would result

in significantly different costs for advisers. See *supra* sections III.C.3 and III.C.15.

⁴⁶⁵ See *supra* section III.C.16.

TABLE 10—TOTAL EFFECT (SECTION 6)—Continued

Type of adviser	Number of reports under current Form ¹	Number of reports under proposed amendments	Decrease in number of reports under proposed amendments ²	Cost per report under current Form ³	Aggregate effect ⁴
Large private equity fund advisers	44	0	44	5,508	(242,363)

Notes:

1. These estimates are based on Form PF data as of the first quarter of 2025.

2. This column is calculated as the difference between the preceding two columns.

3. This cost is calculated as the previously approved estimate of burden hours monetized using the new methodology. Previously approved estimates of burden hours are described in the May 2023 Form PF Adopting Release, section V. *See infra* footnotes 533 and 534. For both types of advisers, this cost captures an internal burden of five hours, which is divided between a legal professional (2.5 hours) at \$744 per hour, a financial risk specialist (1.25 hour) at \$402 per hour, and a financial manager (1.25 hour) at \$731 per hour ($2.5 \times 744 + 1.25 \times 402 + 1.25 \times 731 = 3,276$).

4. The aggregate effect is obtained by multiplying the decrease in number of reports under the proposed amendments by the cost per report under the current Form.

Table 11 below presents estimates of annual cost reductions related to transition filings, final filings, and temporary hardship requests that would

result from the proposed changes in the filing threshold and in the large hedge fund adviser reporting threshold. The estimated cost reductions are due to the

estimated decrease in the number of these types of filings that would be filed by advisers under the proposed amendments.⁴⁶⁶

TABLE 11—TRANSITIONAL AND FINAL FILINGS; TEMPORARY HARDSHIP REQUESTS

Type of filing	Number of filings under current thresholds ¹	Number of filings under proposed thresholds ²	Decrease in number of filings under proposed amendments ³	Cost per filing ⁴	Aggregate effect ⁵
Transition Filings (Quarterly to Annual)	⁶ 43	⁷ 16	27	\$41	(\$1,107)
Final Filings	⁸ 276	⁹ 157	119	41	(4,879)
Temporary Hardship Requests	¹⁰ 4	¹¹ 2	2	511	(1,022)

Notes:

1. These estimates are based on Form PF data as of the first quarter of 2025.

2. *See infra* section IV.A.3.b) at Table 5.

3. This column is calculated as the difference between the two preceding columns.

4. This is composed of internal costs. *See infra* section IV.A.3.c) at Table 9. Transition filings, final filings, and temporary hardship requests would not be amended under the proposed amendments. Hence, the cost per filing would remain the same.

5. The aggregate effect is obtained by multiplying the decrease in the number of filings under the proposed amendments by the cost per filing.

6. This is computed as 617 large hedge fund advisers times an estimated 7% incidence of transition filings. *See infra* note 4 of Table 5 in section IV.A.3.b).

7. This is computed as 227 large hedge fund advisers times an estimated 7% incidence of transition filings. *See supra* footnote 260; *infra* note 4 of Table 5 in section IV.A.3.b).

8. This is computed as 3,999 private fund advisers times an estimated 6.9% incidence of final filings. *See infra* note 5 of Table 5 in section IV.A.3.b).

9. This is computed as 2,280 private fund advisers times an estimated 6.9% incidence of final filings. *See supra* footnote 244; *infra* note 5 of Table 5 in section IV.A.3.b).

10. This is computed as 3,999 private fund advisers times an estimated 0.1% incidence of temporary hardship exemption requests. *See infra* note 6 of Table 5 in section IV.A.3.b).

11. This is computed as 2,280 private fund advisers times an estimated 0.1% incidence of temporary hardship exemption requests. *See supra* footnote 244; *infra* note 6 of Table 5 in section IV.A.3.b).

D. Present Values and Annualized Values of Monetized Benefits and Costs

In addition to discussing the benefits, costs, and reasonable alternatives in the Economic Analysis in Section III, consistent with the requirements of Executive Order 12866, and estimating burdens under the PRA in Section V, the Commission estimates total monetized benefits and costs for all affected entities in two ways specified in OMB Circular A–4.⁴⁶⁷ These

additional analyses include only benefits and costs that are monetized in the Economic Analysis and thus do not encompass all of the proposed amendments' benefits and costs. The two presentations are intended to address the fact that the various benefits and costs of the proposed amendments would not accrue at the same point in time; rather, benefits and costs that accrue sooner are generally more

valuable than those that occur later in time.⁴⁶⁸

We report below (1) the present values of expected benefits and costs that are monetized in our Economic Analysis, aggregated across all affected entities, over a 10-year time horizon, starting in 2026, as well as (2) the annualized values over the same time horizon that are derived from the present values. This time horizon represents the period over which the

⁴⁶⁶ *See supra* footnotes 247 and 262.

⁴⁶⁷ *See* E.O. 12866 (Sept. 30, 1993), 58 FR 51735, 51741 (Oct. 4, 1993) (requiring agencies to provide an analysis of benefits, costs, and regulatory alternatives to OIRA for significant regulatory actions); OMB, Circular A–4, at 31–34, 45 (Sept. 17,

2003) (providing guidance to agencies regarding compliance with Executive Order 12866); *see also* E.O. 14215 (Feb. 18, 2025), 90 FR 10447, 10448 (Feb. 24, 2025) (requiring independent agencies to comply with E.O. 12866). In addition, Executive Order 14192 requires agencies to provide their best

approximation of the total costs or savings associated with each new regulation or repealed regulation consistent with the analyses required by Executive Order 12866. *See* E.O. 14192 (Jan. 31, 2025), 90 FR 9065, 9066 (Feb. 6, 2025).

⁴⁶⁸ *See* Circular A–4, at 32.

principal benefits and costs that are monetized in the Economic Analysis are expected to accrue.⁴⁶⁹ The present values and annualized values account for the timing of benefits and costs through discounting, which is a procedure that accounts for the time value of money.⁴⁷⁰ The present values and annualized values are computed for total monetized benefits and costs, combining one-time and recurring monetized benefits and costs, across all affected entities over the time horizon.

Table 12 reports the present values of monetized benefits and costs using annual real discount rates of 3 percent and 7 percent over a 10-year time horizon, starting in 2026.⁴⁷¹ Estimates of monetized benefits are derived from ongoing cost savings aggregated across all private fund advisers and reflect reduced costs per filing and fewer filers that would result from the proposed amendments.⁴⁷² The resulting present value of monetized benefits is approximately \$1.4 billion under a 3 percent real discount rate, and

approximately \$1.2 billion under a 7 percent real discount rate. Estimates of monetized costs reflect one-time transitional filings and final filings that would result from the proposed increases to the reporting threshold for large hedge fund adviser and the filing threshold for all Form PF filers, respectively.⁴⁷³ The present value of monetized costs is approximately \$86 thousand and is invariant to the discount rate because the monetized costs are one-time in nature and assumed to be incurred immediately.

TABLE 12—PRESENT VALUE OF MONETIZED BENEFITS AND COSTS OVER A 10-YEAR TIME HORIZON
[2025] Dollars ¹

Estimated effects ²	3% Real discount rate	7% Real discount rate
Benefits	\$1,401,099,925	\$1,150,284,480
Costs	86,469	86,469

Notes:

1. This Table includes only benefits and costs that are monetized. As discussed in the Economic Analysis in Section III, there are other benefits and costs that we are not able to monetize.

2. For each discount rate, the present value of monetized benefits or costs is calculated assuming that: (i) all one-time monetized implementation benefits and costs are immediately incurred (*i.e.*, these costs are not discounted); (ii) recurring annual monetized benefits and costs start to be incurred as of the year in which affected entities first comply; (iii) recurring annual monetized benefits and costs accrue mid-year, and we use a mid-year discount rate. We are proposing a 12-month transition period. Correspondingly, for the purposes of this calculation, we assume that filers would start complying with the proposed amendments in 2027.

Table 13 reports annualized monetized benefits and costs using real discount rates of 3 percent and 7 percent over a 10-year horizon.⁴⁷⁴ The lump sum present values of aggregated monetized benefits and costs reported in Table 12 are converted in Table 13 into a constant stream of annualized benefits and costs over a 10-year time horizon,

starting in 2026.⁴⁷⁵ Annualized benefits and costs may differ from an aggregation of the recurring annual benefits and costs discussed in the Economic Analysis in Section III because they incorporate the timing of benefits and costs, through discounting, and combine one-time and recurring benefits and costs.⁴⁷⁶ Annualized monetized benefits

are approximately \$161 million under a 3 percent real discount rate, and approximately \$158 million under a 7 percent real discount rate.⁴⁷⁷ Annualized monetized costs are approximately \$10 thousand under a 3 percent discount rate and \$12 thousand under a 7 percent discount rate.

TABLE 13—ANNUALIZED MONETIZED BENEFITS AND COSTS OVER A
10-YEAR TIME HORIZON
[2025] Dollars ¹

Estimated effects ²	3% Real discount rate	7% Real discount rate
Benefits	\$161,841,964	\$158,326,912

⁴⁶⁹ See *id.* at 31 (stating that “[t]he ending point should be far enough in the future to encompass all the significant benefits and costs likely to result from the rule”). For the purposes of this analysis, we assume the effective date of the amendments, as well as the start year for the analysis’s time horizon, is the present year. The analysis uses calendar years and also accounts for the compliance periods included in the release (see *infra* note 2 in Table 12).

⁴⁷⁰ See *id.* at 32 (“The Rationale for Discounting”) and 45 (“Treatment of Benefits and Costs over Time”); see also OIRA, Regulatory Impact Analysis: A Primer, at 11 (Aug. 15, 2011), available at https://www.reginfo.gov/public/jsp/Utilities/circular-a-4_regulatory-impact-analysis-a-primer.pdf (“To provide an accurate assessment of benefits and costs that occur at different points in time or over different time horizons, an agency should use discounting. Agencies should provide benefit and cost estimates using both 3 percent and 7 percent annual discount rates expressed as a present value as well as annualized.”); Harvey S. Rosen & Ted Gayer, Public Finance 151 (McGraw Hill/Irwin 8th

ed. 2008) (defining present value as “the value today of a given amount of money to be paid or received in the future”).

⁴⁷¹ This approach is consistent with OMB Circular A–4. See Circular A–4, at 31–34 (stating that “[f]or regulatory analysis, [agencies] should provide estimates of net benefits using both 3 percent and 7 percent” discount rates and discussing why those rates are reasonable default rates). Also, we use a mid-year discount rate. See OMB, Circular A–94, at 21–22 (Oct. 19, 1992) (stating that, “When costs and benefits occur in a steady stream, applying mid-year discount factors is more appropriate.”).

⁴⁷² Real aggregate annual benefits are estimated to be \$182,627,951 and would start in 2027 after the proposed 12-month transition period. This estimate of annual benefits is computed as the sum of the entries in the aggregate effects columns of Tables 8–11. There are no one-time monetized benefits.

⁴⁷³ See *supra* footnote 456. There are no ongoing monetized costs.

⁴⁷⁴ This approach is consistent with the recommended treatment of benefits and costs over

time in Circular A–4. See Circular A–4, at 45 (“You should present annualized benefits and costs using real discount rates of 3 and 7 percent”).

⁴⁷⁵ For each discount rate, the annualized monetized benefits (costs, respectively) in Table 13 represent the constant annual stream of benefits (costs, respectively) whose present value over the time horizon equates the corresponding present value in Table 12. See *infra* note 2, Table 13 for additional calculation details.

⁴⁷⁶ The annualized benefits and costs present these values over the 10-year time horizon, starting in 2026, even if recurring annual benefits and costs would actually start to be incurred at a later date due to compliance periods.

⁴⁷⁷ The annualized monetized benefit is smaller than the annual aggregate benefit (see *supra* footnote 472) because the annuity calculation for the former assumes a constant stream of benefits starting in 2026, while the lump sum present value of benefits accounts for the 12-month transition period by assuming benefits are equal to zero in 2026.

TABLE 13—ANNUALIZED MONETIZED BENEFITS AND COSTS OVER A—Continued
10-YEAR TIME HORIZON
[2025] Dollars ¹

Estimated effects ²	3% Real discount rate	7% Real discount rate
Costs	9,988	11,902

Notes:

1. This Table includes only benefits and costs that are monetized. As discussed in the Economic Analysis in Section III, there are other benefits and costs that we are not able to monetize.

2. For each discount rate, the annualized values are calculated by dividing the corresponding present values in Table 12 by the sum of discount factors over the time horizon. The discount factor in year ^t of the time horizon is equal to $1/(1 + \text{discount rate})^{(t-0.5)}$.

In sum, Tables 12 and 13 report in two alternative ways the expected total benefits and costs across all affected entities, which are monetized in our Economic Analysis in Section III, using real discount rates of 3% and 7% over a 10-year time horizon.

E. Effects on Efficiency, Competition, and Capital Formation

We expect that the proposed amendments to Form PF would have a net positive effect on market efficiency. On the one hand, the anticipated burden reduction to private fund advisers that would result from the proposed Form PF amendments would allow these advisers to more efficiently use their resources to advise private funds. On the other hand, Form PF provides the SEC and FSOC with information on concentration, counterparty exposure, and other potential indicia of systemic risk or investor protection concerns stemming from or flowing through private funds. Regulatory oversight facilitated by Form PF may serve to increase the stability of both private and public markets and, in turn, the efficiency with which they operate. A reduction in both the Form's granularity and coverage may therefore reduce the utility of the data for assessing and attempting to mitigate systemic risk and for responding to events that may have adverse market-wide effects or raise investor protection concerns. However, the proposed amendments are tailored to preserve the Form's utility for these purposes in three ways. First, certain questions and sub-questions we propose to delete are likely to have limited effect on efforts to assess systemic risk and protect investors.⁴⁷⁸ Second, information reported in other questions that we propose to remove could be inferred from responses to other Form PF questions.⁴⁷⁹ Finally, the proposed filing and reporting threshold changes would result in relatively modest declines in Form PF's coverage of

private fund assets under management and large hedge fund assets under management, such that the SEC and FSOC would continue to obtain information on a substantial portion of the U.S. private funds and hedge fund industry.⁴⁸⁰

We expect that the proposed amendments to the filing and large hedge fund adviser reporting thresholds would result in increased competition between private fund advisers. The compliance costs associated with filing Form PF or with completing Form PF as a large hedge fund adviser are likely to represent fixed costs for advisers, which could result in smaller margins for advisers that are relatively smaller in size. Removing these fixed costs for the advisers that either would not have to file Form PF at all or would have to complete a smaller portion of it and at a lower frequency as a result of the proposed amendments would free up resources for these advisers. These resources could be spent on activities that would increase returns for investors,⁴⁸¹ thereby making smaller advisers more competitive.

With regard to the amendments to specific questions of the form, we are unable to predict whether or in which direction they would affect competition across advisers.⁴⁸² Advisers of different sizes may advise different numbers of private funds and, as such, spread the costs associated with filing Form PF differently across funds.⁴⁸³ This could

affect the fees charged by advisers to investors in these funds and therefore affect competition between funds and, as a result, between advisers.⁴⁸⁴ For example, during the process leading to the adoption of the 2024 amendments, some industry commenters noted that the Form PF amendments proposed in 2022 would have imposed compliance costs that would have disproportionately affected smaller private fund advisers, and thus put them at a competitive disadvantage.⁴⁸⁵ However, some private fund advisers have indicated since the adoption of the 2024 amendments that the cost of completing certain questions as amended in 2024 would be higher than anticipated for larger advisers and those with more complex operations.⁴⁸⁶ Therefore, the effect of the proposed amendments to specific questions of Form PF, which mostly scale back some of the 2024 amendments, on competition between advisers of different sizes is uncertain.

Lastly, the proposed amendments to Form PF could result in improvements to capital formation. Specifically, we anticipate that the cost burden to Form PF filers would be lower under the proposed amendments. To the extent that these cost savings are passed through to investors in private funds, lower fees to investors could attract additional investment capital and facilitate capital formation.⁴⁸⁷

⁴⁸⁰ See *supra* sections III.C.2 and III.C.3.

⁴⁸¹ For example, these resources could be spent on researching investment opportunities. Alternatively, the freed resources could be passed on to investors via lower fees. See *supra* footnote 230.

⁴⁸² In the 2024 Form PF Adopting Release, we stated that we did not anticipate significant benefits on competition in the private fund industry resulting from the additional information being provided by advisers as a result of the 2024 amendments because the additional information to be reported would have been generally nonpublic. See 2024 Form PF Adopting Release at section IV.C.1. For the same reasons, we do not expect that the reduction in information received by the SEC under the proposed amendments would result in a decrease in competition.

⁴⁸³ See *supra* section III.C.1.

⁴⁸⁴ See *supra* footnote 230 and accompanying text.

⁴⁸⁵ See, e.g., Comment Letter of Managed Funds Association, Investment Adviser Association (Dec. 7, 2022); Comment Letter of Alternative Investment Management Association Limited & Alternative Credit Council (Oct. 11, 2022). In the 2024 Form PF Adopting Release, we stated that the comments were made in the context of the proposal, and the amendments made by the adopting release reduced many of the costs of compliance relative to the proposal. See 2024 Form PF Adopting Release, at section IV.C.2. See also Form PF; Reporting Requirements for All Filers and Large Hedge Fund Advisers, Release No. IA-6083 (Aug. 10, 2022) [87 FR 53832 (Sept. 1, 2022)].

⁴⁸⁶ See, e.g., *supra* footnote 67 and accompanying text; footnote 112 and accompanying text.

⁴⁸⁷ See *supra* footnote 230 and accompanying text.

⁴⁷⁸ See, e.g., *supra* sections III.C.9, III.C.14, and III.C.16.

⁴⁷⁹ See, e.g., *supra* sections III.C.7, III.C.10, and III.C.12.

F. Reasonable Alternatives

1. Filing Threshold

The proposed amendments would increase the threshold at which advisers to private funds must file Form PF from \$150 million to \$1 billion. As an alternative, the Commissions could increase this threshold by a smaller or a larger amount. We have considered the percentage of SEC-registered advisers to private funds, the percentage of all private funds reported by SEC-registered advisers, and the percentage of private fund gross assets reported by SEC-registered advisers that would be captured on Form PF at various filing thresholds between \$250 million and \$4 billion.⁴⁸⁸ Increasing the filing threshold to a level below the proposed level of \$1 billion would result in a smaller decrease in the number of SEC-registered advisers to private funds that would be required to file Form PF. Consequently, the percentage of private funds and private fund gross assets reportable by SEC-registered advisers on Form PF would decrease by a smaller amount. For instance, if the filing threshold were instead increased from \$150 million to \$250 million, coverage of SEC-registered advisers to private funds would decline from 70 percent to 64 percent as opposed to 40 percent under the proposed \$1 billion threshold. Under this alternative, there would be no discernable decrease in the percentage of private funds or their gross assets reported by SEC-registered advisers on Form PF.⁴⁸⁹ On the other hand, increasing the filing threshold to \$2 billion would lower the percentage of SEC-registered private fund advisers required to file Form PF to 30 percent, resulting in a decline in the percentage of private funds and private fund gross assets covered by Form PF from 83 percent and 96 percent to 60 percent and 91 percent, respectively. While this alternative would lead to larger aggregate cost-savings to private fund advisers that would otherwise have to file Form PF,⁴⁹⁰ this additional decline in the burden would come at the cost of reducing regulatory visibility of private fund assets, which could affect systemic risk monitoring and investor protection efforts.

2. Reporting Threshold for Large Hedge Fund Advisers

Advisers that meet the definition of large hedge fund advisers file Form PF quarterly, and they are required to complete section 2 and section 5 (as applicable) of Form PF for each of the qualifying hedge funds that they advise.⁴⁹¹ The proposed amendments would increase Form PF's reporting threshold for large hedge fund advisers from \$1.5 billion to \$10 billion. As an alternative, the Commissions could increase this threshold by a smaller or a larger amount. We have considered the percentage of SEC-registered advisers to hedge funds, the percentage of all hedge funds managed by SEC-registered advisers, the percentage of hedge fund gross assets reported by SEC-registered advisers that would be captured in sections 1 and 2 of Form PF reporting by large hedge fund advisers, and the percentage of hedge fund gross assets reported by SEC-registered advisers on section 2 of Form PF at various filing thresholds between \$2 billion and \$20 billion.⁴⁹² Increasing the reporting threshold for large hedge fund advisers to a level below the proposed level of \$10 billion would result in a smaller decrease in the number of SEC-registered advisers to private funds that would qualify as large hedge fund advisers. The percentage of hedge funds and hedge fund gross assets reported by SEC-registered advisers that would be covered by Form PF reporting by large hedge fund advisers would decrease by a smaller amount. For instance, if the reporting threshold for large hedge fund advisers were instead increased from \$1.5 billion to \$5 billion, the fraction of SEC-registered hedge fund advisers that would meet the definition of large hedge fund advisers would decline from 26 percent to 14 percent as opposed to 9 percent under the proposed \$10 billion threshold. Under this alternative, the percentage of all hedge funds reported by SEC-registered advisers that would be reported in Form PF by large hedge fund advisers would decline from 49 percent to 41 percent as opposed to 34 percent under the proposed threshold of \$10 billion. Similarly, hedge fund assets that would be reported by large hedge fund advisers as a percentage of all hedge fund gross assets managed by SEC-registered advisers would decline from 92 percent to 86 percent instead of 81 percent. Finally, hedge fund assets that would be reported by large hedge fund advisers on section 2 as a

percentage of all hedge fund gross assets managed by SEC-registered advisers would decline from 84 percent to 79 percent instead of 74 percent. While this alternative would lead to a smaller aggregate loss in visibility, and therefore to a smaller effect on systemic risk monitoring and investor protection efforts, cost savings for SEC-registered advisers to hedge funds that would otherwise qualify as large hedge fund advisers would be lower than under the proposed threshold.⁴⁹³ On the other hand, further increasing the reporting threshold for large hedge fund advisers to \$15 billion would result in larger cost savings for advisers that would not need to complete Form PF as large hedge fund advisers, but it would also further decrease visibility into the percentage of qualifying hedge funds advised by large hedge fund advisers (to 29 percent of all hedge funds reported by SEC-registered advisers instead of 34 percent), the aggregate quantity of gross assets they hold (77 percent of hedge fund gross assets reported by SEC-registered advisers instead of 81 percent) and the aggregate quantity of gross assets they hold that would be reported on section 2 of Form PF (70 percent of hedge fund gross assets reported by SEC-registered advisers instead of 74 percent). These decreases could further reduce the utility of the resulting data for systemic risk monitoring and investor protection efforts.

3. Disregarded Feeder Fund

The Commissions considered different thresholds for the proposed *de minimis* exception in General Instruction 6.⁴⁹⁴ A higher threshold, such as ten percent instead of five percent, would result in a larger reduction in burden for advisers, since fewer feeder funds would have to be reported separately. This burden reduction would result in reduced visibility into feeder funds that invest in assets other than a single master fund, U.S. treasury bills, and/or cash or cash equivalents, as the information from such feeder funds would be aggregated in the master fund's filing. This reduced visibility could affect systemic risk monitoring. For instance, at a ten percent *de minimis* threshold, larger counterparty exposure at the level of the feeder fund could be obscured compared to the proposed five percent *de minimis* threshold.⁴⁹⁵ On the other hand, a lower threshold (such as one

⁴⁸⁸ See *supra* section II.A at Table 3.

⁴⁸⁹ The decrease in these percentages is zero when the percentages are rounded to the nearest whole number. See *supra* section II.A at Table 3.

⁴⁹⁰ See *supra* section III.C.18. Under the proposed amendments, we estimate that the compliance costs of filing Form PF for smaller private fund advisers would be \$31,677 per adviser for initial filings and \$8,700 per adviser for ongoing filings. See also *infra* section IV.A.3.

⁴⁹¹ Section 5 is only required upon the occurrence of certain events. See *supra* section III.B.1; Form PF section 5.

⁴⁹² See *supra* section II.B at Table 5.

⁴⁹³ See *supra* section III.C.18 for estimates of cost savings associated with the proposed changes in thresholds.

⁴⁹⁴ See *supra* section III.C.4.

⁴⁹⁵ See Form PF Question 26.

percent) would result in more feeder funds with investments outside of a single master fund, U.S. treasury bills, and/or cash or cash equivalents being separately reportable. This would result in higher visibility for the purpose of systemic risk monitoring compared to the proposed five percent *de minimis* threshold, but the burden reduction for advisers to funds with master-feeder structures would be lower.

4. Industry Concentration Reporting

The Commissions considered modifying the industry concentration reporting in Question 36 by requiring that advisers identify funds' exposure by industry based on an alternative classification, such as the BICS or GICS classifications, instead of the NAICS code classification.⁴⁹⁶ We have heard from industry members that the BICS and GICS are classifications that are more commonly used than the NAICS code classification.⁴⁹⁷ Amending the requirement to use one of these two alternatives could benefit advisers by reducing the cost of assigning a code to each of the fund's investment instruments, since advisers may already have performed or acquired these assignments using the BICS or the GICS from a vendor, or they may be able to more easily find a third party to perform these assignments.⁴⁹⁸ This could lead to increased consistency across filers in how certain assets are assigned to industries. However, NAICS codes are already used in Questions 81 and 82.⁴⁹⁹ Hence, some advisers already use this classification. Also, obtaining industry concentration that is similarly classified across fund types would increase the usefulness of the data for the monitoring of systemic risk by allowing a better understanding of the potential consequences of events affecting specific industries.⁵⁰⁰ In addition, we

expect that giving advisers more flexibility in choosing the NAICS industry code level they report in Question 36, as we are proposing, would reduce the cost to advisers of assigning a NAICS code to their funds' assets and would reduce the possibility of inconsistency of reporting across filers.⁵⁰¹ Furthermore, unlike NAICS codes, the GICS and BICS classification standards are privately developed and maintained. Requiring advisers to use a particular commercial standard may increase the cost to these advisers of acquiring licensing and associated services from the providers.⁵⁰²

The Commissions also considered giving the option to advisers to report their funds' exposure by industry based on their choice among multiple classifications, such as the NAICS, GICS, and BICS classifications. This additional flexibility could reduce costs to advisers as they would be able to use a classification that they are already using or that may be available to them at the lowest cost. However, this benefit may result in information that is difficult to aggregate or compare, making it more difficult to predict and understand the potential consequences of significant events affecting specific industries.

5. Hedge Fund Adviser Counterparty Exposure Reporting

The Commissions considered eliminating only certain sections of the consolidated counterparty exposure for qualifying hedge funds in Question 41. The question requires advisers to report funds' borrowing and collateral received as well as lending and posted collateral for different types of borrowings and other transactions with creditors and other counterparties, aggregated across all counterparties as of the end of each month of the reporting period. For several types of borrowings or other transactions, advisers are required to indicate the expected increase in collateral required to be posted by the reporting fund if the required margin increases by one percent of the position size.⁵⁰³ The Commissions considered

it is also the standard used by other U.S. government agencies. *See supra* footnote 92 and accompanying text.

⁴⁹⁶ *See supra* section III.C.11.

⁴⁹⁷ For example, these providers could increase their prices as a result of the competitive advantage they would gain from being required for large hedge fund advisers advising qualifying hedge funds.

⁴⁹⁸ *See* Form PF Question 41, subsections (b)(vii), (c)(vi), (d)(vi), (e)(vi), and (f)(viii). In some subsections, the instructions appear to mistakenly require advisers to report the expected change in collateral if the required margin increases by one percent, rather than by one percent of the position size.

conserving the table but eliminating this last requirement. This would have resulted in a smaller reduction in costs for advisers, since the proposed amendments eliminate this requirement as well as other requirements.⁵⁰⁴ It would also have resulted in less information loss for the SEC and FSOC and therefore smaller potential effects on systemic risk monitoring and investor protection efforts. Requiring large hedge fund advisers to qualifying hedge funds to complete the consolidated counterparty exposure table in Question 26 instead of in Question 41, together with continuing to require these advisers to complete Questions 42 and 43 along with the proposed modifications to those questions, should provide sufficient information for systemic risk monitoring and investor protection efforts.

The Commissions also considered amendments with respect to netting counterparty exposures and cross-margining in response to Questions 26, 27, 28, 42, and 43. Question 26 directs hedge fund advisers to net the reporting fund's exposure to each counterparty and among affiliated entities of a counterparty and associated collateral.⁵⁰⁵ It also specifies that netting must be used to reflect net cash borrowed from or lent to a counterparty but must not be used to offset securities borrowed and lent against one another, when reporting prime brokerage and repo/reverse repo transactions. The netting methodology prescribed in Question 26 would affect the information reported by hedge fund advisers in Question 26 by affecting the dollar amounts that advisers report as borrowing (and collateral received) and as lending (and posted collateral) in the different sub-questions. The netting methodology would also affect the counterparties reported in Questions 27 and 28 (for hedge funds that are not qualifying hedge funds) and in Questions 42 and 43 (for qualifying hedge funds). In these questions, advisers would be required to identify and provide information on each creditor or other counterparty (including CCPs) to which a fund had an exposure above certain thresholds.⁵⁰⁶ The Commissions considered amending the netting methodology prescribed in

⁵⁰⁴ *See supra* section III.C.13.

⁵⁰⁵ Under the proposed amendments, Question 26 would be required to be completed by all hedge fund advisers and separately for each hedge fund that they advise. *See supra* sections II.L and III.C.13.

⁵⁰⁶ *See supra* sections II.L and III.C.13. For example, under the proposed amendments, a fund's exposure to a given counterparty may reach the specified threshold. This may not be the case under a different netting methodology.

⁴⁹⁶ *See supra* section II.J.

⁴⁹⁷ *Id.*

⁴⁹⁸ For example, BICS codes are assigned to individual securities for different asset classes including equities, corporates, governments, loans, and preferred debt by the company that has developed the classification. *See Classification data*, Bloomberg Pro. Servs., <https://data.bloomberglp.com/professional/sites/10/Classification-Data-Fact-Sheet.pdf> (last visited Jan. 13, 2026). On the other hand, the NAICS classification was developed by North American government statistical agencies, with a focus on North American industries. *See North American Industry Classification System*, U.S. Census Bureau (Jan. 13, 2026), <https://www.census.gov/naics/>. These government agencies do not assign NAICS codes to individual companies or securities.

⁴⁹⁹ *See* Form PF Questions 81 and 82. The questions are required for Form PF filers that advise private equity funds.

⁵⁰⁰ Requiring the NAICS code classification instead of an alternative classification could also support FSOC's monitoring of systemic risk since

Question 26, which would apply to all hedge fund advisers.⁵⁰⁷ For example, the Commissions considered requiring advisers to net neither cash nor securities, that is, to report the gross exposure to counterparties. This would have the benefit of potentially reducing costs for advisers, as we have heard from filers that netting counterparty exposure can be particularly burdensome.⁵⁰⁸ However, this could also result in FSOC having a less clear view of hedge funds' counterparty exposure risk, which could affect its ability to monitor systemic risk. As a second example, the Commissions considered requiring advisers to net both cash and securities borrowed or lent instead of only cash. This would have the benefit of potentially reducing costs for advisers, as this could align more closely with how counterparty balances are reported to advisers in practice. However, this alternative could also result in FSOC having a less clear view of hedge funds' counterparty exposure risk, which could affect its ability to monitor systemic risk. As a third example, the Commissions considered permitting advisers to use their own internal methodologies regarding the netting of their exposure to counterparties. This alternative would have the benefit of reducing costs for advisers as it would allow them to report values that they are likely to already report internally instead of requiring them to calculate values solely for the purpose of reporting on Form PF.⁵⁰⁹ It would also likely result in advisers reporting counterparty exposure that is the most relevant to monitor for their specific funds. However, the type of counterparty risk that is the most relevant for hedge fund advisers when monitoring their own funds may not be the most useful for FSOC's monitoring of systemic risk. In addition, allowing advisers to use their own methodology would result in the SEC and FSOC receiving data that is difficult to compare and aggregate across funds, which could affect their systemic risk monitoring and investor protection efforts.

⁵⁰⁷ Under the proposed amendments, Question 41 would be eliminated, and Question 26 would be required for all filing advisers that advise hedge funds. See *supra* sections II.L and III.C.13.

⁵⁰⁸ Filers have indicated that completing the questions on counterparty exposure, including interpreting and satisfying the netting instructions, is challenging and burdensome. See *supra* section II.L.

⁵⁰⁹ See *supra* footnote 508.

6. Private Equity Quarterly Event Reporting

The proposed amendments would eliminate section 6 of Form PF, which requires advisers to private equity funds to file quarterly reports with the SEC within 60 days of the end of each calendar quarter during which a private equity reporting event occurs.⁵¹⁰ As an alternative, the SEC could have proposed to modify section 6 to reduce its burden to private equity fund advisers without entirely eliminating the section. For instance, the SEC could have proposed that only certain events that currently trigger section 6 reporting be eliminated. As a specific example, the SEC could have proposed that current event reports be required upon the occurrence of an adviser-led secondary transaction, but not upon general partner removal, termination of the investment period, or termination of the fund. In this case, the cost savings to advisers to private equity funds would not be as large as they would be under the proposed elimination of section 6. However, the SEC and FSOC would still become aware of an adviser-led secondary transaction within 60 calendar days after the end of the quarter in which the event takes place. As a result, they would retain a signal that may be useful for systemic risk monitoring and investor protection efforts.

The SEC alternatively could have proposed that section 6 be reported annually instead of quarterly during years in which a private equity fund experiences a reporting event. This approach would lower the burden of section 6 reporting on private equity fund advisers by allowing advisers more time to consolidate information to report following an adviser-led secondary transaction, general partner removal, termination of the fund's investment period, or termination of the fund. The reduction in burden under this alternative would not be as large as it would be under the proposed elimination of section 6. However, this alternative would retain for the SEC and FSOC visibility into the occurrence of reporting events at private equity funds managed by registered investment advisers. While the timeliness of section 6 filings would decrease under this alternative relative to the baseline, the total number of reporting events captured by these filings would not, preserving for the SEC and FSOC information that could be used to monitor systemic risk and for investor protection efforts.

⁵¹⁰ See *supra* section II.O.

Finally, in connection with eliminating section 6, the SEC could have proposed to include a question relating to the removal of the fund's general partner in section 4 of Form PF. Under this alternative, rather than requiring private equity fund advisers to periodically file section 6 if fund investors have removed the adviser or its affiliate as the general partner or similar control person of the reporting fund, Form PF would require all large private equity fund advisers filing Form PF to provide this information annually in section 4. Relative to the proposed elimination of section 6, this alternative would have the benefit of providing information on a salient reporting event to the SEC and FSOC, which could aid in systemic risk monitoring and investor protection efforts.⁵¹¹ However, large private equity fund advisers would experience lower cost savings for the private equity funds they advise relative to the proposed elimination of section 6.⁵¹²

7. Private Credit Reporting

Currently, the Form PF Glossary of Terms does not define "private credit fund," and advisers to private funds with private credit strategies must follow the same instructions as other advisers when determining which sections of the form must be completed for the reporting funds they advise.⁵¹³ The Commissions considered modifying the information that advisers report on Form PF about the private credit funds they advise. Specifically, the Commissions considered defining "private credit fund" in the Form PF Glossary of Terms and requiring information on private credit funds, for example by creating new questions or a new section that would be required to be completed by advisers of private credit funds.⁵¹⁴ This alternative would have the benefit of providing information that would allow the identification of potential risks and challenges that are specific to private

⁵¹¹ Compared to the baseline, however, this alternative would result in less information being available to the SEC and FSOC since it would apply only to large private equity fund advisers and not all filing advisers that advise private equity funds. It would also result in less timely information as section 4 of Form PF is submitted annually by advisers to large private equity funds. See *supra* section III.B.1.

⁵¹² For private equity fund advisers that do not meet the definition of large private equity fund advisers, and therefore are not required to complete section 4, this alternative would result in the same cost savings as the proposed elimination of section 6.

⁵¹³ See *supra* section II.Q.

⁵¹⁴ Some industry members have suggested these approaches. See *supra* section II.Q.

credit strategies.⁵¹⁵ This information would support the SEC's and FSOC's understanding and monitoring of potential systemic and investor protection risks relating to activities in the private credit fund industry. However, requiring this new information would add new compliance costs to advisers that advise funds that would meet the definition of private credit funds. In addition, as this is a newer investment strategy, the Commissions may benefit from additional development to determine the nature and scope of appropriate data to collect to inform systemic risk assessment for these particular funds.

G. Request for Comment

The SEC requests comment on all aspects of our economic analysis, including the potential costs and benefits of the proposed amendments and alternatives thereto, and whether the amendments, if the SEC were to adopt them, would promote efficiency, competition, and capital formation. In addition, the SEC requests comments on our selection of data sources, empirical methodology, and the assumptions the SEC has made throughout the analysis. Commenters are requested to provide empirical data, estimation methodologies, and other factual support for their views, in particular, on costs and benefits estimates. In addition, the SEC requests comment on:

129. Whether there are any additional benefits and costs associated with the proposed amendments to Form PF that we should include in our analysis. What additional materials and data should the SEC consider for estimating these benefits and costs?

130. Whether our assumptions about the benefits and costs associated with the proposal are accurate. For example, is it accurate to assume that any sunk costs advisers have incurred to prepare for previous compliance dates of the 2024 Form PF amendments can be ignored for the purposes of assessing the cost-savings to advisers that would result from the proposed amendments? Is it accurate to assume that certain costs may be mitigated as a result of other questions in the form?

131. Whether there are any unintended consequences to systemic risk or investor protection that could result from the proposed changes in the

filing thresholds and in the reporting threshold for large hedge fund advisers.

132. Whether our description of the effects on efficiency, competition, and capital formation that would result from the proposed amendments is accurate. For example, would the proposed changes to specific questions of the Form result in an increase or decrease in competition between advisers?

133. Whether there are any additional benefits or costs associated with the reasonable alternatives considered that should be included.

134. The likely cost ranges for assigning industry codes using a different standard (such as BICS or GICS), and the extent to which these cost ranges vary with adviser size or other factors.

IV. Paperwork Reduction Act

CFTC

The information collection titled "Form PF and Rule 204(b)-1" (OMB Control No. 3235-0679) was issued to the SEC and implements sections 404 and 406 of the Dodd-Frank Act by requiring private fund advisers that have at least \$150 million in private fund assets under management to report certain information regarding the private funds they advise on Form PF. The SEC makes information on Form PF available to the CFTC, subject to the confidentiality provisions of the Dodd-Frank Act, and the CFTC may use information collected on Form PF in its regulatory programs, including examinations, investigations and investor protection efforts relating to private fund advisers.

CFTC rule 4.27⁵¹⁶ does not impose any additional burden upon registered CPOs and CTAs that are dually registered as investment advisers with the SEC ("dual registrants"). There is no requirement to file Form PF with the CFTC, and any filings made by dual registrants with the SEC are made pursuant to the Advisers Act. While CFTC rule 4.27(d) states that dually registered CPOs and CTAs that file Form PF with the SEC will be deemed to have filed Form PF with the CFTC for purposes of any enforcement action regarding any false or misleading statement of material fact in Form PF, the CFTC is not imposing any additional burdens herein. Therefore, any burden imposed by Form PF on entities registered with both the CFTC and the SEC has been fully accounted for within

the SEC's calculations regarding the impact of this collection of information under the Paperwork Reduction Act of 1995 ("PRA"), as set forth below.⁵¹⁷

SEC

The proposal would revise an existing "collection of information" within the meaning of the Paperwork Reduction Act of 1995 ("PRA").⁵¹⁸ The SEC is submitting the collection of information to the Office of Management and Budget ("OMB") for review and approval in accordance with the PRA.⁵¹⁹ The title for the collection of information we propose to amend is "Form PF and Rule 204(b)-1" (OMB Control Number 3235-0679). An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number.

Compliance with the information collection titled "Form PF and Rule 204(b)-1" is mandatory. The respondents are investment advisers that (1) are registered or required to be registered under Advisers Act section 203, (2) advise one or more private funds, and (3) managed private fund assets of at least \$150 million at the end of their most recently completed fiscal year (collectively, with their related persons).⁵²⁰ Form PF divides respondents into groups based on their size and types of private funds they manage, requiring some groups to file more information more frequently than others. The types of respondents are (1) smaller private fund advisers, that report annually (*i.e.*, private fund advisers that do not qualify as large private fund advisers), (2) large hedge fund advisers, that report more information quarterly (*i.e.*, advisers with at least \$1.5 billion in hedge fund assets under management), (3) large liquidity fund advisers, that report more information quarterly (*i.e.*, advisers that manage liquidity funds and have at least \$1 billion in combined money market and liquidity fund assets under management), and (4) large private equity fund advisers, that report more information annually (*i.e.*, advisers with at least \$2 billion in private equity fund assets under management). As discussed more fully in section II above and as summarized in sections IV.A.1 and IV.A.3 below, the proposal would eliminate certain burdens and revise how respondents report certain information on Form PF.

⁵¹⁵ See, e.g., José L. Fillat et al., *Could the Growth of Private Credit Pose a Risk to Financial System Stability?*, (Fed. Rsr. Bank of Boston Current Policy Perspectives No. 25-8, 2025), available at <https://www.bostonfed.org/publications/current-policy-perspectives/2025/could-the-growth-of-private-credit-pose-a-risk-to-financial-system-stability.aspx>.

⁵¹⁶ CFTC rule 4.27, 17 CFR 4.27, was adopted pursuant to the CFTC's authority set forth in section 4n of the Commodity Exchange Act, 7 U.S.C. 6n. CFTC regulations are found at Title 17 Chapter I of the Code of Federal Regulations.

⁵¹⁷ 44 U.S.C. 3501 through 3521.

⁵¹⁸ *Id.*

⁵¹⁹ 44 U.S.C. 3507(d); 5 CFR 1320.11.

⁵²⁰ See 17 CFR 275.204(b)-1.

A. Form PF

1. Purpose and Use of the Information Collection

The rules implement provisions of Title IV of the Dodd-Frank Act, which amended the Advisers Act to require the SEC to, among other things, establish reporting requirements for advisers to private funds.⁵²¹ The information collected on Form PF is designed to facilitate FSOC's obligations under the Dodd-Frank Act to monitor systemic risk in the private fund industry and to assist FSOC in determining whether and how to deploy its regulatory tools with respect to nonbank financial companies.⁵²² The SEC also may use information collected on Form PF in its regulatory programs, including examinations, investigations, and investor protection efforts relating to private fund advisers.⁵²³

The proposed amendments would (1) eliminate filing obligations for smaller advisers; (2) eliminate certain reporting obligations for smaller hedge fund advisers; (3) eliminate certain other requirements, including quarterly event reporting, certain current reporting, and other requirements; and (4) streamline certain requirements and make corrections as well as other revisions.⁵²⁴ The proposed amendments are designed to eliminate certain burdens, among other things, while ensuring Form PF continues to collect information necessary and appropriate in the public interest and for the protection of investors, or for the assessment of

systemic risk in the U.S. financial system by FSOC.

2. Confidentiality

Responses to the information collection will be kept confidential to the extent permitted by law.⁵²⁵ Form PF elicits non-public information about private funds and their trading strategies, the public disclosure of which could adversely affect the funds and their investors. The SEC does not intend to make public Form PF information that is identifiable to any particular adviser or private fund, although the SEC may use Form PF information in an enforcement action and FSOC may use it to assess potential systemic risk.⁵²⁶ SEC staff issues certain publications designed to inform the public of the private funds industry, all of which use only aggregated or masked information to avoid potentially disclosing any proprietary information.⁵²⁷ The Advisers Act precludes the SEC from being compelled to reveal Form PF information except (1) to Congress, upon an agreement of confidentiality, (2) to comply with a request for information from any other Federal department or agency or self-regulatory organization for purposes within the scope of its jurisdiction, or (3) to comply with an order of a court of the United States in an action brought by the United States or the SEC.⁵²⁸ Any department, agency, or self-regulatory organization that receives Form PF information must maintain its confidentiality consistent with the level of confidentiality established for the

SEC.⁵²⁹ The Advisers Act requires the SEC to make Form PF information available to FSOC.⁵³⁰ For advisers that are also commodity pool operators or commodity trading advisers, filing Form PF through the Form PF filing system is a filing with both the SEC and CFTC.⁵³¹ Therefore, the SEC makes Form PF information available to FSOC and the CFTC, pursuant to Advisers Act section 204(b), making the information subject to the confidentiality protections applicable to information required to be filed under that section. Before sharing any Form PF information, the SEC requires that any such department, agency, or self-regulatory organization represent to the SEC that it has in place controls designed to ensure the use and handling of Form PF information in a manner consistent with the protections required by the Advisers Act. The SEC has instituted procedures to protect the confidentiality of Form PF information in a manner consistent with the protections required in the Advisers Act.⁵³²

3. Burden Estimates

We are revising our total burden estimates to reflect the proposed amendments, updated data, and new methodology for calculating occupational hourly rates.⁵³³ The tables below map out the Form PF requirements as they apply to each group of respondents and detail our burden estimates.

(a) Proposed Form PF Requirements by Respondent

PRA TABLE 1—PROPOSED FORM PF REQUIREMENTS BY RESPONDENT

Form PF	Smaller private fund advisers ¹	Large hedge fund advisers	Large liquidity fund advisers	Large private equity fund advisers
Section 1a and section 1b (basic information about the adviser and the private funds it advises) <i>Proposed revisions.</i>	Annually	Quarterly	Quarterly	Annually.
Section 1c (additional information concerning hedge funds) <i>Proposed revisions.</i>	Annually, if they advise hedge funds.	Quarterly	Quarterly, if they advise hedge funds.	Annually, if they advise hedge funds.
Section 2 (additional information concerning qualifying hedge funds) <i>Proposed revisions.</i>	No	Quarterly	No	No.
Section 3 (additional information concerning liquidity funds) <i>No proposed substantive revisions.</i>	No	No	Quarterly	No.

⁵²¹ See 15 U.S.C. 80b-4(b) and 15 U.S.C. 80b-11(e).

⁵²² See Form PF.

⁵²³ *Id.*

⁵²⁴ The proposal would: (1) amend the form's general instructions; (2) amend section 1 of Form PF, which would apply to all Form PF filers; (3) amend section 2 of Form PF, which would apply to large hedge fund advisers that advise qualifying hedge funds; (4) amend section 5 of Form PF, which would apply to large hedge fund advisers to

qualifying hedge funds; (5) remove section 6 of Form PF, which would eliminate quarterly event reporting for advisers to private equity funds; and (6) amend the form's Glossary of Terms.

⁵²⁵ See 5 CFR 1320.5(d)(2)(vii) and (viii).

⁵²⁶ See 15 U.S.C. 80b-10(c) and 15 U.S.C. 80b-4(b).

⁵²⁷ See, e.g., Private Funds Statistics, issued by staff of the SEC Division of Investment Management's Analytics Office, which we have used in this PRA as a data source, available at

<https://www.sec.gov/divisions/investment/private-funds-statistics.shtml>.

⁵²⁸ See 15 U.S.C. 80b-4(b)(8).

⁵²⁹ See 15 U.S.C. 80b-4(b)(9).

⁵³⁰ See 15 U.S.C. 80b-4(b)(7).

⁵³¹ See 2011 Form PF Adopting Release at n.17.

⁵³² See 5 CFR 1320.5(d)(2)(viii).

⁵³³ For the previously approved estimates, see ICR Reference No. 202405-3235-009 (conclusion date July 2, 2024), available at https://www.reginfo.gov/public/do/PRAViewICR?ref_nbr=202405-3235-009.

PRA TABLE 1—PROPOSED FORM PF REQUIREMENTS BY RESPONDENT—Continued

Form PF	Smaller private fund advisers ¹	Large hedge fund advisers	Large liquidity fund advisers	Large private equity fund advisers
Section 4 (additional information concerning private equity funds) <i>No proposed substantive revisions.</i>	No	No	No	Annually.
Section 5 (current reporting concerning qualifying hedge funds) <i>Proposed revisions.</i>	No	No later than 72 hours	No	No.
Section 6 (event reporting for private equity fund advisers) <i>Proposed deletion.</i>	N/A	N/A	N/A	N/A.
Section 7 (temporary hardship request) <i>No proposed revisions.</i>	Optional, if they qualify.	Optional, if they qualify.	Optional, if they qualify.	Optional, if they qualify.
Transition Filings (indicating the adviser is no longer obligated to file on a quarterly basis) <i>No proposed revisions.</i>	Not applicable	If they cease to qualify as a large hedge fund adviser.	If they cease to qualify as a large liquidity fund adviser.	Not applicable.
Final Filings (indicating the adviser is no longer subject to the rules) <i>No proposed revisions.</i>	If they qualify	If they qualify	If they qualify	If they qualify.

Notes:

1. Smaller private fund advisers are considered all other advisers required to file Form PF that do not meet the definition of large hedge fund adviser, large liquidity fund adviser, or large private equity fund adviser.

(b) Annual Hour Burden Proposed Estimates

Below are tables with annual hour burden estimates for (1) initial filings,

(2) ongoing annual and quarterly filings, (3) current reporting and private equity event reporting, and (4) transition

filings, final filings, and temporary hardship requests.

PRA TABLE 2—ANNUAL HOUR BURDEN ESTIMATES FOR INITIAL FILINGS

Respondent ¹	Number of respondents = aggregate number of responses ²	Hours per response ³		Hours per response amortized over 3 years ⁴	Aggregate hours amortized over 3 years ⁵
Smaller Private Fund Advisers:					
Requested	⁶ 244	38	+ 3 =	13	3,172
Previously Approved	374	55	+ 3 =	18	6,732
Change	(130)	(17)		(5)	(3,560)
Large Hedge Fund Advisers:					
Requested	⁷ 5	270	+ 3 =	90	450
Previously Approved	14	380	+ 3 =	127	1,778
Change	(9)	(110)		(37)	(1,328)
Large Liquidity Fund Advisers:					
Requested	⁸ 1	212	+ 3 =	71	71
Previously Approved	1	229	+ 3 =	76	76
Change	No change	(17)		(5)	(5)
Large Private Equity Advisers:					
Requested	⁹ 30	264	+ 3 =	88	2,640
Previously Approved	18	281	+ 3 =	94	1,692
Change	12	(17)		(6)	948

Notes:

1. We expect that the hourly burden will be most significant for the initial report because the adviser will need to familiarize itself with the new reporting form and may need to configure its systems in order to efficiently gather the required information. In addition, we expect that some large private fund advisers will find it efficient to automate some portion of the reporting process, which will increase the burden of the initial filing but reduce the burden of subsequent filings.

2. This concerns the initial filing; therefore, we estimate one response per respondent. The proposed changes are due to using updated data to estimate the number of advisers.

3. Hours per response changes are due to the proposed amendments.

4. We propose to amortize the initial time burden over three years because we believe that most of the burden will be incurred in the initial filing.

5. (Number of responses) × (hours per response amortized over three years) = aggregate hours amortized over three years. Changes are due to (1) using updated data to estimate the number of advisers and responses and (2) the proposed amendments.

6. We estimate based on Form PF data that 1,516 smaller private fund advisers would have filed Form PF in the first quarter of 2025 if the proposed revised reporting thresholds were in effect. Based on filing data from the last five years, an average of 16.1 percent of them would not have filed for the previous due date. (1,516 × 0.161 = 244 advisers.)

7. We estimate based on Form PF data that 227 large hedge fund advisers would have filed Form PF in the first quarter of 2025 if the proposed revised reporting thresholds were in effect. Based on filing data from the last five years, an average of 2.3 percent of them would not have filed for the previous year. (227 × 0.023 = 5 advisers.)

8. We estimate based on Form PF data that 20 large liquidity fund advisers would have filed Form PF in the first quarter of 2025 if the proposed revised reporting thresholds were in effect. Based on filing data from the last five years, an average of 1.5 percent of them would not have filed for the previous year. (20 × 0.015 = 0.3 advisers, rounded up to 1 adviser.)

9. We estimate based on Form PF data that 541 large private equity advisers would have filed Form PF in the first quarter of 2025 if the proposed revised reporting thresholds were in effect. Based on filing data from the last five years, an average of 5.6 percent of them would not have filed for the previous due date. ($541 \times 0.056 = 30$ advisers.)

PRA TABLE 3—ANNUAL HOUR BURDEN ESTIMATES FOR ONGOING ANNUAL AND QUARTERLY FILINGS

Respondent ¹	Number of respondents ² (advisers)		Number of responses ³		Hours per response ⁴		Aggregate hours ⁵
Smaller Private Fund Advisers:							
Requested	⁶ 1,272	×	1	×	18	=	22,896
Previously Approved	2,376	×	1	×	22	=	52,272
Change	(1,104)		No change		(4)		(29,376)
Large Hedge Fund Advisers:							
Requested	⁷ 222	×	4	×	123	=	109,224
Previously Approved	556	×	4	×	176	=	391,424
Change	(334)		No change		(53)		(282,200)
Large Liquidity Fund Advisers:							
Requested	⁸ 19	×	4	×	82	=	6,232
Previously Approved	20	×	4	×	86	=	6,880
Change	(1)		No change		(4)		(648)
Large Private Equity Advisers:							
Requested	⁹ 511	×	1	×	141	=	72,051
Previously Approved	432	×	1	×	145	=	62,640
Change	79		No change		(4)		9,411

Notes:

1. We estimate that after an adviser files its initial report, it will incur significantly lower costs to file ongoing annual and quarterly reports, because much of the work for the initial report is non-recurring and likely created system configuration and reporting efficiencies.

2. Changes to the number of respondents are due to using updated data to estimate the number of advisers.

3. Smaller private fund advisers and large private equity advisers file annually. Large hedge fund advisers and large liquidity fund advisers file quarterly.

4. Hours per response changes are due to the proposed amendments.

5. Changes to the aggregated hours are due to (1) using updated data to estimate the number of advisers and (2) the proposed amendments.

6. We estimate based on Form PF data that 1,516 smaller private fund advisers would have filed Form PF in the first quarter of 2025 if the proposed revised reporting thresholds were in effect. We estimated that 244 of them would have filed an initial filing, as discussed in PRA Table 2: Annual Hour Burden Estimates for Initial Filings. (1,516 total smaller advisers – 244 advisers that made an initial filing = 1,272 advisers that make ongoing filings.)

7. We estimate based on Form PF data that 227 large hedge fund advisers would have filed Form PF in the first quarter of 2025. We estimated that 5 of them would have filed an initial filing, as discussed in PRA Table 2: Annual Hour Burden Estimates for Initial Filings. (227 total large hedge fund advisers – 5 advisers that made an initial filing = 222 advisers that make ongoing filings.)

8. We estimate based on Form PF data that 20 large liquidity fund advisers would have filed Form PF in the first quarter of 2025. We estimated that one of them would have filed an initial filing, as discussed in PRA Table 2: Annual Hour Burden Estimates for Initial Filings. (20 total large liquidity fund advisers – 1 adviser that made an initial filing = 19 advisers that make ongoing filings.)

9. We estimate based on Form PF data that 541 large private equity advisers would have filed Form PF in the first quarter of 2025. We estimated that 30 of them would have filed an initial filing, as discussed in PRA Table 2: Annual Hour Burden Estimates for Initial Filings. (541 total large private equity advisers – 30 advisers that made an initial filing = 511 advisers that make ongoing filings.)

PRA TABLE 4—ANNUAL HOUR BURDEN ESTIMATES FOR CURRENT REPORTING AND PRIVATE EQUITY EVENT REPORTING

Respondent ¹	Aggregate number of responses		Hours per response		Aggregate hours
Smaller Private Fund Advisers:					
Requested	0	×	0	=	0
Previously Approved	20	×	5	=	100
Change	(20)		(5)		(100)
Large Hedge Fund Advisers:					
Requested	² 94	×	10	=	940
Previously Approved	60	×	10	=	600
Change	34		No change		³ 340
Large Private Equity Advisers:					
Requested	0	×	0	=	0
Previously Approved	20	×	5	=	100
Change	(20)		(5)		(100)

Notes:

1. Under our proposal, section 6 (private equity event reporting) would be eliminated, removing this filing obligation for private fund advisers that advise private equity funds. Large hedge fund advisers would still file current reports in section 5.

2. We estimate based on Form PF data from the last two years that large hedge fund advisers would have filed an average of 94 current reports annually if the proposed revised reporting thresholds were in effect.

3. Changes are due to using updated data to estimate the number of advisers and number of responses.

PRA TABLE 5—ANNUAL HOUR BURDEN ESTIMATES FOR TRANSITION FILINGS, FINAL FILINGS, AND TEMPORARY HARDSHIP REQUESTS

Filing type ¹	Aggregate number of responses ²		Hours per response		Aggregate hours ³
Transition Filing from Quarterly to Annual:					
Proposed Estimate	⁴ 16	×	0.25	=	4
Previously Approved	69	×	0.25	=	17
Change	(53)		No change		(13)
Final Filings:					
Proposed Estimate	⁵ 157	×	0.25	=	39
Previously Approved	243	×	0.25	=	61
Change	(86)		No change		(22)
Temporary Hardship Requests:					
Proposed Estimate	⁶ 2	×	1	=	2
Previously Approved	4	×	1	=	4
Change	(2)		No change		(2)

Notes:

1. Advisers make limited Form PF filings in three situations. First, any adviser that transitions from filing quarterly to annually because it has ceased to qualify as a large hedge fund adviser or large liquidity fund adviser must file a Form PF indicating that it is no longer obligated to report on a quarterly basis. Second, any adviser that is no longer subject to Form PF's reporting requirements must file a final filing indicating this. Third, an adviser may request a temporary hardship exemption if it encounters unanticipated technical difficulties that prevent it from making a timely electronic filing. A temporary hardship exemption extends the deadline for an electronic filing for seven business days. To request a temporary hardship exemption, the adviser must file a request on Form PF.

2. Changes to the aggregate number of responses are due to using updated data.

3. Changes to the aggregate hours are due to the changes in the aggregate number of responses.

4. In the case of the proposed estimates, we estimate based on Form PF data that 227 advisers would have filed quarterly reports in the first quarter of 2025. Based on filing data from the last five years, we estimate an average of 7% would have filed a transition filing. ($227 \times 0.07 = 16$ responses.)

5. In the case of the proposed estimates, we estimate based on Form PF data that 2,280 advisers would have filed Form PF in the first quarter of 2025. Based on filing data from the last five years, an average of 6.9% of them would have filed a final filing. ($2,280 \times 0.069 =$ approximately 157 responses.)

6. In the case of the proposed estimates, based on experience receiving temporary hardship requests, we estimate that 1 out of 1,000 advisers would have filed a temporary hardship exemption annually. We estimate based on Form PF data that 2,280 advisers would have filed Form PF in the first quarter of 2025. ($2,280/1,000 =$ approximately 2 responses.)

(c) Annual Monetized Time Burden Estimates

Below are tables with annual monetized time burden estimates for (1) initial filings, (2) ongoing annual and quarterly filings, (3) current reporting

and private equity event reporting, and (4) transition filings, final filings, and temporary hardship requests.⁵³⁴

PRA TABLE 6—ANNUAL MONETIZED TIME BURDEN OF INITIAL FILINGS

Respondent ¹	Per response ²		Per response amortized over 3 years ³		Aggregate number of responses ⁴		Aggregate monetized time burden amortized over 3 years
Smaller Private Fund Advisers:							
Requested	⁵ \$21,527	÷ 3 =	\$7,176	×	244	=	\$1,750,944
Previously Approved	21,340	÷ 3 =	7,113	×	374	=	2,660,262
Change	187		63		(130)		(909,318)
Large Hedge Fund Advisers:							
Requested	⁶ 135,459	÷ 3 =	45,153	×	5	=	225,765
Previously Approved	139,080	÷ 3 =	46,360	×	14	=	649,040
Change	(3,621)		(1,207)		(9)		(423,275)
Large Liquidity Fund Advisers:							
Requested	⁷ 106,329	÷ 3 =	35,443	×	1	=	35,443

⁵³⁴ To calculate the occupational hourly rates used in this release, the Commission uses occupation-specific mean hourly wage data from the Occupational Employment and Wage Statistics (OEWS) program of the Bureau of Labor Statistics (BLS) for the securities industry (NAICS 523). See *Occupational Employment and Wage Statistics*, U.S. Bureau of Labor Statistics, <https://www.bls.gov/oes/>; see also *Standard Occupational Classification*, U.S. Bureau of Labor Statistics, <https://www.bls.gov/soc/> (describing occupational classification system used by BLS); Exec. Off. of the President, Off. of Mgmt. & Budget, North American Industry Classification System (2022), available at https://www.census.gov/naics/reference_files_tools/

2022 NAICS Manual.pdf (describing the industry classification system used by BLS and other agencies). To account for any changes in wages between the data reference period and when the data is released, the mean hourly wage for each occupation is multiplied by the seasonally adjusted employment cost index for private wages and salaries. See *Employment Cost Index*, U.S. Bureau of Labor Statistics, <https://www.bls.gov/eci/>. The adjusted mean hourly wage is then multiplied by a factor that accounts for nonwage costs, such as bonuses, benefits, and overhead. The nonwage cost adjustment factor is calculated as an average over the 10 most recently available years of data of the ratio of the Bureau of Economic Analysis's annual

gross output data for the securities industry to total annual wages across all occupations for the securities industry's OEWS data. See *Gross Output by Industry*, U.S. Bureau of Economic Analysis, <https://www.bea.gov/data/industries/gross-output-by-industry>; *Occupational Employment and Wage Statistics*, U.S. Bureau of Labor Statistics, <https://www.bls.gov/oes/>. The final product is the occupational hourly rate. See generally Updated Methodology for Calculating Occupational Hourly Rates (Dec. 19, 2025), available at <https://www.sec.gov/files/method-occupational-hourly-rates.pdf>.

PRA TABLE 6—ANNUAL MONETIZED TIME BURDEN OF INITIAL FILINGS—Continued

Respondent ¹	Per response ²		Per response amortized over 3 years ³		Aggregate number of responses ⁴		Aggregate monetized time burden amortized over 3 years
Previously Approved	83,792	÷ 3 =	27,931	×	1	=	27,931
Change	22,537		7,512		No change		7,512
Large Private Equity Advisers:							
Requested	⁸ 132,384	÷ 3 =	44,128	×	30	=	1,323,840
Previously Approved	102,868	÷ 3 =	34,289	×	18	=	617,202
Change	29,516		9,839		12		706,638

Notes:

1. We expect that the monetized time burden will be most significant for the initial report, for the same reasons discussed in PRA Table 2: Annual Hour Burden Estimates for Initial Filings. Accordingly, we anticipate that the initial report will require more attention from senior personnel, including financial managers and financial risk specialists, than will ongoing annual and quarterly filings. Changes are due to using (1) updated hours per response estimates, as discussed in PRA Table 2: Annual Hour Burden Estimates for Initial Filings, (2) updated aggregate number of responses, as discussed in PRA Table 2: Annual Hour Burden Estimates for Initial Filings, and (3) updated wage estimates.

2. For the hours per response in each calculation, see PRA Table 2: Annual Hour Burden Estimates for Initial Filings.

3. We propose to amortize the monetized time burden for initial filings over three years, as we do with other initial burdens in this PRA, because we believe that most of the burden would be incurred in the initial filing. The previously approved burden estimates did not calculate this.

4. See PRA Table 2: Annual Hour Burden Estimates for Initial Filings.

5. For smaller private fund advisers, we estimate that the initial report will most likely be completed equally by a financial manager at a cost of \$731 per hour and a financial risk specialist at a cost of \$402 per hour. $((\$731 \text{ per hour} \times 0.5) + (\$402 \text{ per hour} \times 0.5)) \times 38 \text{ hours per response} = \$21,527$.

6. For large hedge fund advisers, we estimate that for the initial report, of a total estimated burden of 270 hours, approximately 60 percent will most likely be performed by compliance professionals and 40 percent will most likely be performed by programmers working on system configuration and reporting automation (that is approximately 162 hours for compliance professionals and approximately 108 hours for programmers). Of the work performed by compliance professionals, we anticipate that it will be performed equally by a financial manager at a cost of \$731 per hour and a financial risk specialist at a cost of \$402 per hour. Of the work performed by programmers, we anticipate that it will be performed equally by a software developer at a cost of \$462 per hour and a computer systems analyst at a cost of \$347 per hour. $((\$731 \text{ per hour} \times 0.5) + (\$402 \text{ per hour} \times 0.5)) \times 162 \text{ hours} = \$91,773$. $((\$462 \text{ per hour} \times 0.5) + (\$347 \text{ per hour} \times 0.5)) \times 108 \text{ hours} = \$43,686$. $\$91,773 + \$43,686 = \$135,459$.

7. For large liquidity fund advisers, we estimate that for the initial report, of a total estimated burden of 212 hours, approximately 60 percent will most likely be performed by compliance professionals and approximately 40 percent will most likely be performed by programmers working on system configuration and reporting automation (that is approximately 127 hours for compliance professionals and 85 hours for programmers). Of the work performed by compliance professionals, we anticipate that it will be performed equally by a financial manager at a cost of \$731 per hour and a financial risk specialist at a cost of \$402 per hour. Of the work performed by programmers, we anticipate that it will be performed equally by a software developer at a cost of \$462 per hour and a computer systems analyst at a cost of \$347 per hour. $((\$731 \text{ per hour} \times 0.5) + (\$402 \text{ per hour} \times 0.5)) \times 127 \text{ hours} = \$71,946$. $((\$462 \text{ per hour} \times 0.5) + (\$347 \text{ per hour} \times 0.5)) \times 85 \text{ hours} = \$34,383$. $\$71,946 + \$34,383 = \$106,329$.

8. For large private equity advisers, we expect that for the initial report, of a total estimated burden of 264 hours, approximately 60 percent will most likely be performed by compliance professionals and approximately 40 percent will most likely be performed by programmers working on system configuration and reporting automation (that is approximately 158 hours for compliance professionals and 106 hours for programmers). Of the work performed by compliance professionals, we anticipate that it will be performed equally by a financial manager at a cost of \$731 per hour and a financial risk specialist at a cost of \$402 per hour. Of the work performed by programmers, we anticipate that it will be performed equally by a software developer at a cost of \$462 per hour and a computer systems analyst at a cost of \$347 per hour. $((\$731 \text{ per hour} \times 0.5) + (\$402 \text{ per hour} \times 0.5)) \times 158 \text{ hours} = \$89,507$. $((\$462 \text{ per hour} \times 0.5) + (\$347 \text{ per hour} \times 0.5)) \times 106 \text{ hours} = \$42,877$. $\$89,507 + \$42,877 = \$132,384$.

PRA TABLE 7—ANNUAL MONETIZED TIME BURDEN OF ONGOING ANNUAL AND QUARTERLY FILINGS

Respondent ¹	Per response ²		Aggregate number of responses		Aggregate monetized time burden
Smaller Private Fund Advisers:					
Requested	³ \$8,550	×	⁴ 1,272	=	\$10,875,600
Previously Approved	7,062	×	2,376	=	16,779,312
Change	1,488		(1,104)		(5,903,712)
Large Hedge Fund Advisers:					
Requested	⁵ 58,425	×	⁶ 888	=	51,881,400
Previously Approved	56,496	×	2,224	=	125,647,104
Change	1,929		(1,336)		(73,765,704)
Large Liquidity Fund Advisers:					
Requested	⁷ 38,950	×	⁸ 76	=	2,960,200
Previously Approved	27,606	×	80	=	2,208,480
Change	11,344		(4)		751,720
Large Private Equity Advisers:					
Requested	⁹ 66,975	×	¹⁰ 511	=	34,224,225
Previously Approved	46,545	×	432	=	20,107,440
Change	20,430		79		14,116,785

Notes:

1. We expect that the monetized time burden will be less costly for ongoing annual and quarterly reports than for initial reports, for the same reasons discussed in PRA Table 3: Annual Hour Burden Estimates for Ongoing Annual and Quarterly Filings. Accordingly, we anticipate that senior personnel will bear less of the reporting burden than they would for the initial report. Changes are due to using (1) updated wage estimates, (2) updated hours per response estimates, as discussed in PRA Table 3: Annual Hour Burden Estimates for Ongoing Annual and Quarterly Filings, and (3) updated number of respondents, as discussed in PRA Table 3: Annual Hour Burden Estimates for Ongoing Annual and Quarterly Filings.

2. For all types of respondents, we estimate that both annual and quarterly reports would be completed (1) 25 percent by a financial manager at a cost of \$731 per hour, (2) 25 percent by a financial examiner at a cost of \$365, and (3) 50 percent by a financial risk specialist at a cost of \$402 per hour. $(\$731 \times 0.25 = \$182.75) + (\$365 \times 0.25 = \$91.25) + (\$402 \times 0.5 = \$201) = \$54.50 = \$475$. To calculate the cost per response for each respondent, we used the hours per response from PRA Table 3: Annual Hour Burden Estimates for Ongoing Annual and Quarterly Filings.

3. Cost per response for smaller private fund advisers: $(\$475 \text{ per hour} \times 18 \text{ hours per response} = \$8,550 \text{ per response.})$

4. $(1,272 \text{ smaller private fund advisers} \times 1 \text{ response annually} = 1,272 \text{ aggregate responses.})$

5. Cost per response for large hedge fund advisers: $(\$475 \text{ per hour} \times 123 \text{ hours per response} = \$58,425 \text{ per response.})$

6. $(222 \text{ large hedge fund advisers} \times 4 \text{ responses annually} = 888 \text{ aggregate responses.})$

7. Cost per response for large liquidity fund advisers: $(\$475 \text{ per hour} \times 82 \text{ hours per response} = \$38,950 \text{ per response.})$

8. $(19 \text{ large liquidity fund advisers} \times 4 \text{ responses annually} = 76 \text{ aggregate responses.})$

9. Cost per response for large private equity advisers: $(\$475 \text{ per hour} \times 141 \text{ hours per response} = \$66,975 \text{ per response.})$

10. $(511 \text{ private equity advisers} \times 1 \text{ response annually} = 511 \text{ aggregate responses.})$

PRA TABLE 8—ANNUAL MONETIZED TIME BURDEN OF CURRENT REPORTING AND PRIVATE EQUITY EVENT REPORTING

Respondent ¹	Per response		Aggregate number of responses ²		Aggregate monetized time burden
Smaller Private Fund Advisers:					
Requested	\$0	×	0	=	\$0
Previously Approved	2,024	×	20	=	40,480
Change	(2,024)		(20)		(40,480)
Large Hedge Fund Advisers:					
Requested	³ 6,644	×	94	=	624,536
Previously Approved	5,160	×	60	=	309,600
Change	1,484		34		314,936
Large Private Equity Advisers:					
Requested	0	×	0	=	0
Previously Approved	2,024	×	20	=	40,480
Change	(2,024)		(20)		(40,480)

Notes:

1. Under our proposal, section 6 (private equity event reporting) would be eliminated, removing any filing obligations for advisers that advise private equity funds. Large hedge fund advisers would still file current reports under section 5.

2. See PRA Table 4: Annual Hour Burden Estimates for Current Reporting.

3. For the cost per response for large hedge fund advisers, we estimate that, depending on the circumstances, different legal professionals and financial professionals at the advisers would work on the section 5 current report because the reporting events may require both legal and quantitative analysis. We estimate that the time costs for a legal professional to be approximately \$744. We estimate that the time costs for a financial professional to be approximately \$567, which is a blended average hourly rate for a financial risk specialist (\$402) and a financial manager (\$731). Of the total 10 hours that a section 5 current report would take, we estimate that an adviser would spend on average 5.5 hours of lawyer time and 4.5 hours of financial professional time to prepare, review, and submit a current report pursuant to section 5. $(5.5 \text{ hours} \times \$744 \text{ per hour for a legal professional} = \$4,092) + (4.5 \text{ hours} \times \$567 \text{ per hour for a financial professional} = \$2,552) = \$6,644$.

PRA TABLE 9—ANNUAL MONETIZED TIME BURDEN FOR TRANSITION FILINGS, FINAL FILINGS, AND TEMPORARY HARDSHIP REQUESTS

Filing type ¹	Per response		Aggregate number of responses ²		Aggregate monetized time burden
Transition Filing from Quarterly to Annual:					
Proposed Estimate	³ \$41	×	16	=	\$656
Previously Approved	21	×	69	=	1,415
Change	20		(53)		(759)
Final Filings:					
Proposed Estimate	⁴ 41	×	157	=	6,437
Previously Approved	21	×	243	=	5,103
Change	20		(86)		1,334
Temporary Hardship Requests:					
Proposed Estimate	⁵ 511	×	2	=	1,022
Previously Approved	252	×	4	=	1,008
Change	259	....	(2)	....	14

Notes:

1. Advisers make limited Form PF filings in three situations. First, any adviser that transitions from filing quarterly to annually because it has ceased to qualify as a large hedge fund adviser or large liquidity fund adviser, must file a Form PF indicating that it is no longer obligated to report on a quarterly basis. Second, any adviser that is no longer subject to Form PF's reporting requirements, must file a final filing indicating this. Third, an adviser may request a temporary hardship exemption if it encounters unanticipated technical difficulties that prevent it from making a timely electronic filing. A temporary hardship exemption extends the deadline for an electronic filing for seven business days. To request a temporary hardship exemption, the adviser must file a request on Form PF.

2. See PRA Table 5: Annual Hour Burden Estimates for Transition Filings, Final Filings, and Temporary Hardship Requests.

3. In the case of the proposed estimates, we estimate that each transition filing will take 0.25 hours and that a bookkeeping, accounting, and auditing clerk would perform this work at a cost of \$164 an hour. $(0.25 \text{ hours} \times \$164 = \$41)$.

4. In the case of the proposed estimates, we estimate that each final filing will take 0.25 hours and that a bookkeeping, accounting, and auditing clerk would perform this work at a cost of \$164 an hour. (0.25 hours × \$164 = \$41).

5. In the case of the proposed estimates, we estimate that each temporary hardship request will take 1 hour. We estimate that a financial manager would perform five-eighths of the work at a cost of \$731 and a general clerk would perform three-eighths of the work at a cost of \$144. (1 hour × ((5/8 of an hour × \$731 = \$457) + (3/8 of an hour × \$144 = \$54)) = \$511 per response.

(d) Annual External Cost Burden Estimates

Below are tables with annual external cost burden estimates for (1) initial

filings, (2) ongoing annual and quarterly filings, and (3) current reporting and private equity event reporting. There are no filing fees for transition filings, final

filings, or temporary hardship requests and we continue to estimate there would be no external costs for those filings, as previously approved.

PRA TABLE 10—ANNUAL EXTERNAL COST BURDEN FOR ONGOING ANNUAL AND QUARTERLY FILINGS AS WELL AS INITIAL FILINGS

Respondent ¹	Number of responses per respondent ²		Filing fee per filing ³		Total filing fees	External cost of initial filing ⁴		External cost of initial filing amortized over 3 years ⁵		Number of initial filings ⁶		Aggregate external cost of initial filing amortized over 3 years ⁷	Total aggregate external cost ⁸
Smaller Private Fund Advisers:													
Proposed Estimate	1	×	\$150	=	\$150	\$10,000	+ 3 =	\$3,333	×	244	=	\$813,252	⁹ \$1,040,652
Previously Approved	1	×	150	=	150	10,000	+ 3 =	3,333	×	374	=	1,246,542	1,659,042
Change	N/A		N/A		N/A	N/A		N/A		(130)		(433,290)	(618,390)
Large Hedge Fund Advisers:													
Proposed Estimate	4	×	150	=	600	70,000	+ 3 =	23,333	×	5	=	116,665	¹⁰ 252,865
Previously Approved	4	×	150	=	600	70,000	+ 3 =	23,333	×	14	=	326,662	668,662
Change	N/A		N/A		N/A	N/A		N/A		(9)		(209,997)	(415,797)
Large Liquidity Fund Advisers:													
Proposed Estimate	4	×	150	=	600	50,000	+ 3 =	16,667	×	1	=	16,667	¹¹ 28,667
Previously Approved	4	×	150	=	600	50,000	+ 3 =	16,667	×	1	=	16,667	29,267
Change	N/A		N/A		N/A	N/A		N/A		N/A		N/A	(600)
Large Private Equity Fund Advisers:													
Proposed Estimate	1	×	150	=	150	50,000	+ 3 =	16,667	×	30	=	500,010	¹² 581,160
Previously Approved	1	×	150	=	150	50,000	+ 3 =	16,667	×	18	=	300,006	367,656
Change	N/A		N/A		N/A	N/A		N/A		12		200,004	213,504

Notes:

1. We estimate that advisers would incur the cost of filing fees for each filing. For initial filings, advisers may incur costs to modify existing systems or deploy new systems to support Form PF reporting, acquire or use hardware to perform computations, or otherwise process data that Form PF requires.

2. Smaller private fund advisers and large private equity fund advisers file annually. Large hedge fund advisers and large liquidity fund advisers file quarterly.

3. The SEC established Form PF filing fees in a separate order. Since 2011, filing fees have been and continue to be \$150 per annual filing and \$150 per quarterly filing. See Order Approving Filing Fees for Exempt Reporting Advisers and Private Fund Advisers, Advisers Act Release No. 3305 (Oct. 24, 2011) [76 FR 67004 (Oct. 28, 2011)].

4. In the previous PRA submission for the rules, staff estimated that the external cost burden for initial filings would range from \$0 to \$50,000 per adviser. This range reflected the fact that the cost to any adviser may depend on how many funds or the types of funds it manages, the state of its existing systems, the complexity of its business, the frequency of Form PF filings, the deadlines for completion, and the amount of information the adviser must disclose on Form PF. Staff also estimated that smaller private fund advisers would be unlikely to bear such costs because the information they must provide is limited and will, in many cases, already be maintained in the ordinary course of business. Given the proposed amendments, we estimate that the external cost burden for smaller private fund advisers would range from \$0 to \$10,000, per smaller private fund adviser. This range reflects the amendments and is designed to reflect that the cost to any smaller private fund adviser may depend on how many funds or the type of funds it manages, the state of its existing systems, and the complexity of its business. We use the upper range to calculate the estimate for smaller private fund advisers: \$10,000. Also, given the amendments, in our proposed estimates, we estimate that the external cost burden for initial filings for large liquidity fund advisers, and large private equity fund advisers would continue to range from \$0 to \$50,000 for the same reasons as the current estimates for those types of advisers. We used the upper range to calculate the estimates: \$50,000. Additionally, given the amendments, in our proposed estimates, we estimate that the external cost burden for initial filings for large hedge fund advisers would continue to range from \$0 to \$70,000 for the same reasons as the current estimates for those types of advisers. We used the upper range to calculate the estimates: \$70,000.

5. We amortize the external cost burden of initial filings over three years, as we do with other initial burdens in this PRA, because we believe that most of the burden will be incurred in the initial filing.

6. See PRA Table 2: Annual Hour Burden Estimates for Initial Filings.

7. Changes to the aggregate external cost of initial filings, amortized over three years are due to (1) the proposed amendments and (2) using updated data.

8. Changes to the total aggregate external cost are due to (1) the proposed amendments and (2) using updated data.

9. We estimate based on Form PF data that 1,516 smaller private fund advisers would have filed Form PF in the first quarter of 2025. (1,516 smaller private fund advisers × \$150 total filing fees) + \$813,252 aggregate external cost of initial filing amortized over three years = \$1,040,652 total aggregate external cost.

10. We estimate based on Form PF data that 227 large hedge fund advisers would have filed Form PF in the first quarter of 2025. (227 large hedge fund advisers × \$600 total filing fees) + \$116,665 aggregate external cost of initial filing amortized over three years = \$252,865 total aggregate external cost.

11. We estimate based on Form PF data that 20 large liquidity fund advisers would have filed Form PF in the first quarter of 2025. (20 large liquidity fund advisers × \$600 total filing fees) + \$16,667 aggregate external cost of initial filing amortized over three years = \$28,667 total aggregate external cost.

12. We estimate based on Form PF data that 541 large private equity advisers would have filed Form PF in the first quarter of 2025. (541 large private equity fund advisers × \$150 total filing fees) + \$500,010 aggregate external cost of initial filing amortized over three years = \$581,160 total aggregate external cost.

PRA TABLE 11—ANNUAL EXTERNAL COST BURDEN FOR CURRENT REPORTING AND PRIVATE EQUITY EVENT REPORTING¹

Respondent	Aggregate number of responses		Cost of outside counsel per current report		Total aggregate external cost ²
Smaller Private Fund Advisers:					
Proposed Estimate	0	×	0	=	0
Previously Approved	20	×	\$1,695	=	\$33,900
Change	(20)		(1,695)		(33,900)
Large Hedge Fund Advisers:					
Proposed Estimate	94	×	³ 2,232	=	209,808
Previously Approved	60	×	1,695	=	101,700

PRA TABLE 11—ANNUAL EXTERNAL COST BURDEN FOR CURRENT REPORTING AND PRIVATE EQUITY EVENT REPORTING ¹—Continued

Respondent	Aggregate number of responses		Cost of outside counsel per current report		Total aggregate external cost ²
Change	34		537		108,108
Large Private Equity Fund Advisers:					
Proposed Estimate	0	×	0	=	0
Previously Approved	20	×	1,695	=	33,900
Change	(20)		(1,695)		(33,900)

Advisers pay filing fees, the amount of which will be determined in a separate action.

Notes:

1. Under our proposal, section 6 (private equity event reporting) would be eliminated, removing this filing obligation for advisers that advise private equity funds. Large hedge fund advisers would still file current reports in section 5.

2. (Aggregate number of responses) + (aggregate cost of outside counsel) = total aggregate external cost.

3. We estimate the cost for a lawyer is \$744. We estimate that approximately 3 hours of the total legal professional time that would otherwise be spent on current reporting would be shifted from in-house legal professionals to outside lawyers. The hour estimate reflects our decreased hour burden for current reporting. (3 hours × \$744 for outside legal services = \$2,232.)

(e) Summary of Estimates and Change in Burden

PRA TABLE 12—AGGREGATE ANNUAL ESTIMATES

Description ¹	Requested	Previously approved	Change
Respondents	2,280 respondents ²	3,791 respondents	(1,511) respondents.
Responses	3,296 responses ³	5,935 responses	(2,639) responses.
Time Burden	217,721 hours ⁴	524,376 hours	(306,655) hours.
Monetized Time Burden (Dollars)	\$103,911,068 ⁵	\$169,094,737	(\$65,183,669).
External Cost Burden (Dollars)	\$2,113,152 ⁶	\$2,938,977	(\$825,825).

Notes:

1. Changes are due to (1) the proposed amendments, (2) using updated data, and (3) using different methodologies to calculate certain estimates, as described in this PRA.

2. We estimate based on Form PF data that the following advisers would have filed Form PF in the first quarter of 2025: 1,516 smaller private fund advisers + 227 large hedge fund advisers + 20 large liquidity fund advisers + 541 large private equity advisers – 34 advisers in overlapping categories = 2,280 advisers.

3. Under our proposal, for initial filings (PRA Table 2): (244 smaller private fund adviser responses + 5 large hedge fund adviser responses + 1 large liquidity fund adviser response + 30 large private equity adviser responses = 280 responses.) For ongoing annual and quarterly filings (PRA Table 3): (1,272 smaller private fund adviser responses + 888 large hedge fund adviser responses + 76 large liquidity fund adviser responses + 511 large private equity adviser responses = 2,747 responses.) For current reporting (PRA Table 4): (94 large hedge fund adviser responses). (280 responses for initial filings + 2,747 responses for ongoing annual and quarterly filings + 94 responses for current reports + 16 responses for transition filings + 157 responses for final filings + 2 responses for temporary hardship requests = 3,296 responses.)

4. Under our proposal, for initial filings: (3,172 hours for smaller private fund advisers + 450 hours for large hedge fund advisers + 71 hours for large liquidity fund advisers + 2,640 hours for large private equity advisers = 6,333 hours). For ongoing annual and quarterly filings: (22,896 hours for smaller private fund advisers + 109,224 hours for large hedge fund advisers + 6,232 for large liquidity fund advisers + 72,051 hours for large private equity advisers = 210,403). For current reporting: (940 hours for large hedge fund advisers). (6,333 hours for initial filings + 210,403 for ongoing annual and quarterly filings + 940 hours for current reporting + 4 hours for transition filings + 39 hours for final filings + 2 hours for temporary hardship requests = 217,721 hours.

5. Under our proposal, for initial filings: (\$1,750,944 for smaller private fund advisers + \$225,765 for large hedge fund advisers + \$35,443 for large liquidity fund advisers + \$1,323,840 for large private equity advisers = \$3,335,992). For ongoing annual and quarterly filings: (\$10,875,600 for smaller private fund advisers + \$51,881,400 for large hedge fund advisers + \$2,960,200 for large liquidity fund advisers + \$34,224,225 for large private equity advisers = \$99,941,425). For current reports: (\$624,536 for large hedge fund advisers). (\$3,335,992 for initial filings + \$99,941,425 for ongoing annual and quarterly filings + \$624,536 for current reports + \$1,656 for transition filings + \$6,437 for final filings + \$1,022 for temporary hardship requests = \$103,911,068.

6. Under our proposal, for the external cost burden for annual, quarterly, and initial filings: (\$1,040,652 for smaller private fund advisers + \$252,865 for large hedge fund advisers + \$28,667 for large liquidity fund advisers + \$581,160 for large private equity advisers = \$1,903,344). For current reporting: (\$209,808 for large hedge fund advisers). \$1,903,344 + \$209,808 = \$2,113,152.

B. Request for Comments

We request comment on whether our estimates for burden hours and external costs as described above are reasonable. Pursuant to 44 U.S.C. 3506(c)(2)(B), the SEC solicits comments in order to (1) evaluate whether the proposed collection of information is necessary for the proper performance of the functions of the SEC, including whether the information will have practical utility; (2) evaluate the accuracy of the

SEC's estimate of the burden of the proposed collection of information; (3) determine whether there are ways to enhance the quality, utility, and clarity of the information to be collected; and (4) determine whether there are ways to minimize the burden of the collection of information on those who are to respond, including through the use of automated collection techniques or other forms of information technology.

Persons wishing to submit comments on the collection of information requirements of the proposed amendments should direct them to the OMB Desk Officer for the Securities and Exchange Commission, MBX.OMB.OIRA.SEC_desk_officer@omb.eop.gov, and should send a copy to Secretary, Securities and Exchange Commission, 100 F Street NE, Washington, DC 20549–1090, with reference to File No. S7–2026–13. OMB

is required to make a decision concerning the collections of information between 30 and 60 days after publication of this release; therefore a comment to OMB is best assured of having its full effect if OMB receives it within 30 days after publication of this release. Requests for materials submitted to OMB by the Commission with regard to these collections of information should be in writing, refer to File No. S7–2026–13, and be submitted to the Securities and Exchange Commission, Office of FOIA Services, 100 F Street NE, Washington, DC 20549–2736.

V. Regulatory Flexibility Act Certification

CFTC

The Regulatory Flexibility Act (“RFA”) requires that when Federal agencies publish a proposed rulemaking pursuant to section 553 of the Administrative Procedure Act, they consider whether the proposed rule will have a significant economic impact on a substantial number of “small entities.”⁵³⁵

Registered CPOs and CTAs that are dually registered as investment advisers with the SEC are only required to file Form PF with the SEC pursuant to the Advisers Act. While CFTC rule 4.27(d) provides that dually registered CPOs and CTAs that file Form PF with the SEC will be deemed to have filed Form PF with the CFTC, for purposes of any enforcement action regarding any false or misleading statement of material fact in Form PF, the CFTC is not imposing any additional obligation herein beyond what is already required of these entities when filing Form PF with the SEC.

Entities impacted by the Form PF are the SEC’s regulated entities and no small entity on its own would meet the Form PF’s minimum reporting threshold of \$150 million in regulatory assets under management attributable to private funds. Also, any economic impact imposed by Form PF on small entities registered with both the CFTC and the SEC has been accounted for within the SEC’s regulatory flexibility analysis regarding the impact of this collection of information under the RFA. Accordingly, the Chairman, on behalf of the CFTC, hereby certifies pursuant to 5 U.S.C. 605(b) that the proposed rules will not have a significant economic impact on a substantial number of small entities.

SEC

The Regulatory Flexibility Act of 1980 (“Regulatory Flexibility Act”)⁵³⁶ requires the SEC to prepare and make available for public comment an initial regulatory flexibility analysis that describes the impact of the proposed rules on small entities, unless the SEC certifies that the rules, if adopted, would not have a significant economic impact on a substantial number of small entities.⁵³⁷ For the purposes of the Advisers Act and the Regulatory Flexibility Act, an investment adviser generally is a small entity if it (1) has assets under management having a total value of less than \$25 million, (2) did not have total assets of \$5 million or more on the last day of the most recent fiscal year, and (3) does not control, is not controlled by, and is not under common control with another investment adviser that has assets under management of \$25 million or more, or any person (other than a natural person) that had total assets of \$5 million or more on the last day of its most recent fiscal year.⁵³⁸ Pursuant to section 605(b) of the Regulatory Flexibility Act, the SEC hereby certifies that the proposed amendments to Advisers Act rule 204(b)–1 and Form PF would not, if adopted, have a significant economic impact on a substantial number of small entities. By definition, no small entity on its own would meet the current minimum filing threshold of \$150 million in private fund assets under management, nor the proposed minimum filing threshold of \$1 billion in private fund assets under management. Based on Form PF and Form ADV data as of the first quarter of

⁵³⁶ 5 U.S.C. 601, *et. seq.*

⁵³⁷ See 5 U.S.C. 603(a) and 5 U.S.C. 605(b).

⁵³⁸ 17 CFR 275.0–7. In separate rulemaking, the SEC is proposing to increase the thresholds for an investment adviser to qualify as a small entity (the “Small Entity Proposal”). Under the Small Entity Proposal, an investment adviser would generally be a small entity for purposes of the Advisers Act and the Regulatory Flexibility Act if the adviser (1) has assets under management of less than \$1 billion, (2) did not have total assets of \$5 million or more on the last day of the most recent fiscal year, and (3) does not control, is not controlled by, and is not under common control with another investment adviser that has assets under management of \$1 billion or more, or any person (other than a natural person) that had total assets of \$5 million or more on the last day of the most recent fiscal year, all thresholds of which would have a mechanism for future inflation adjustments. Therefore, no small entity, as defined by the Small Entity Proposal, would meet the proposed minimum filing threshold of \$1 billion in private fund assets under management if the Small Entity Proposal is adopted, as proposed, prior to this rulemaking. See Amendments to the “Small Business” and “Small Organization” Definitions for Investment Companies and Investment Advisers for Purposes of the Regulatory Flexibility Act, Release No. IA–6935 (Jan. 7, 2026) and proposed 17 CFR 275.0–7.

2025, the SEC estimates that no small entity advisers are required to file current Form PF, and no small entity advisers would be required to file Form PF under the proposed amendments. The SEC does not have evidence to suggest that any small entities are required to file Form PF but are not filing Form PF. Therefore, there would be no significant economic impact on a substantial number of small entities.

The SEC encourages written comments on the certification. Commentators are asked to describe the nature of any impact on small entities and provide empirical data to support the extent of the impact.

VI. Congressional Review Act

For purposes of Subtitle E of the Small Business Regulatory Enforcement Fairness Act of 1996 (also known as the Congressional Review Act),⁵³⁹ the SEC must seek OMB’s determination as to whether a final regulation constitutes a “major” rule. Under the Congressional Review Act, a rule is considered “major” where, if adopted, it results in or is likely to result in the following:

- An annual effect on the economy of \$100 million or more;
- A major increase in costs or prices for consumers or individual industries; or
- Significant adverse effects on competition, investment, or innovation.⁵⁴⁰

To help inform OMB’s determination whether any final rule that results from the proposal would be a “major rule,” we solicit comment and data on the following:

- The potential effect on the U.S. economy on an annual basis;
- Any potential increase in costs or prices for consumers or individual industries; and
- Any potential effect on competition, investment, or innovation.

Commenters are requested to provide empirical data and other factual support for their views to the extent possible.

VII. Other Matters

This action is an economically significant regulatory action under section 3(f)(1) of Executive Order 12866, as amended, and has been reviewed by the Office of Management and Budget. This action, if finalized as proposed, is expected to be an Executive Order 14192 deregulatory action.

⁵³⁹ See 5 U.S.C. chapter 8.

⁵⁴⁰ 5 U.S.C. 804(2) defining “major rule.”

⁵³⁵ 5 U.S.C. 601, *et. seq.*

VIII. Statutory Authority

CFTC

The CFTC authority for this rulemaking is provided by 15 U.S.C. 80b–11.

SEC

The SEC is proposing to amend 17 CFR 275.204(b)–1 pursuant to its authority set forth in sections 204(b) and 211(e) of the Advisers Act [15 U.S.C. 80b–4 and 15 U.S.C. 80b–11], respectively.

The SEC is proposing to amend 17 CFR 279.9 pursuant to its authority set forth in sections 204(b) and 211(e) of the Advisers Act [15 U.S.C. 80b–4 and 15 U.S.C. 80b–11], respectively.

List of Subjects in 17 CFR Parts 275 and 279

Investment advisers, Reporting and recordkeeping requirements, Securities.

For the reasons set forth in the preamble, title 17, chapter II of the Code of Federal Regulations is proposed to be amended as follows.

PART 275—RULES AND REGULATIONS, INVESTMENT ADVISERS ACT OF 1940

■ 1. The general authority citation for part 275 continues to read as follows.

Authority: 15 U.S.C. 80b–2(a)(11)(G), 80b–2(a)(11)(H), 80b–2(a)(17), 80b–3, 80b–4, 80b–4a, 80b–6(4), 80b–6a, and 80b–11, 1681w(a)(1), 6801–6809, and 6825, unless otherwise noted.

* * * * *

■ 2. Amend § 275.204(b)–1, paragraph (a), by removing the phrase “\$150 million” and adding in its place “\$1 billion”.

■ 3. Amend § 275.204(b)–1 by redesignating paragraph (g) as paragraph (h).

■ 4. Amend § 275.204(b)–1 by adding a new paragraph (g) as follows:

(g) Approximately five years after [insert date that is the compliance date for the proposed amendments to Form PF], and approximately every five years thereafter, Commission staff shall report to the Commission on the filing threshold and each reporting threshold in Form PF, assessing whether any should be adjusted. The Commission intends to consider this report in reviewing the continued appropriateness of the filing threshold and reporting thresholds and it may be informative as to potential proposals to adjust them in Form PF. In producing this report, the staff shall consider data collected by the Commission pursuant to Form PF, as well as any other applicable information as the staff may

determine to be appropriate for its analysis.

PART 279—FORMS PRESCRIBED UNDER THE INVESTMENT ADVISERS ACT OF 1940

■ 3. The authority citation for part 279 continues to read as follows:

Authority: The Investment Advisers Act of 1940, 15 U.S.C. 80b–1, *et seq.*, Pub. L. 111–203, 124 Stat. 1376.

§ 279.9 Form PF, reporting by investment advisers to private funds.

■ 4. Revise Form PF (referenced in § 279.9).

Note: Form PF is attached as Appendix A to this document. Form PF will not appear in the Code of Federal Regulations.

By the Commissions.

Dated: April 20, 2026

Christopher Kirkpatrick,

Secretary, Commodity Futures Trading Commission.

Vanessa A. Countryman,

Secretary, Securities and Exchange Commission.

Note: The following appendix will not appear in the Code of Federal Regulations.

Appendix A—Form PF**FORM PF (Paper Version)****Reporting Form for Investment Advisers to
Private Funds and Certain Commodity Pool
Operators and Commodity Trading Advisors**

OMB APPROVAL	
OMB Number:	3235-0679
Expires:	[Date]
Estimated Average	
Burden Hours Per Response:	[XX.XX]

Form PF: General Instructions

Read these instructions carefully before completing Form PF. Failure to follow these instructions, properly complete Form PF, or pay all required fees may result in your Form PF being delayed or rejected.

In these instructions and in Form PF, “you” means the *private fund adviser* completing or amending this Form PF. If you are a “separately identifiable department or division” (SID) of a bank, “you” means the SID rather than the bank (except as provided in Question 1(a)). Terms that appear in *italics* are defined in the Glossary of Terms to Form PF.

1. Who must complete and file a Form PF?

You must complete and file a Form PF, if:

- A. You are registered or required to register with the *SEC* as an investment adviser;

OR

You are registered or required to register with the *CFTC* as a *CPO* or *CTA* and you are also registered or required to register with the *SEC* as an investment adviser;

AND

- B. You manage one or more *private funds*.

AND

- C. You and your *related persons*, collectively, had at least \$1 billion in *private fund assets under management* as of the last day of your most recently completed fiscal year.

Many *private fund advisers* meeting these criteria will be required to complete only Section 1 of Form PF and will need to file only on an annual basis. *Large private fund advisers*, however, will be required to provide additional data, and *large hedge fund advisers* and *large liquidity fund advisers* will need to file every quarter. *Large hedge fund advisers* will need to file a current report in Section 5 upon certain *current reporting events*. See Instructions 3, 9, and 12 below.

For purposes of determining whether you meet the reporting threshold, you are not required to include the *regulatory assets under management* of any *related person* that is *separately operated*. See Instruction 5 below for more detail.

If your *principal office and place of business* is outside the United States, for purposes of this Form PF you may disregard any *private fund* that, during your last fiscal year, was not a *United States person*, was not offered in the United States, and was not beneficially owned by any *United States person*.

2. **I have a *related person* who is required to file Form PF. May I and my *related person* file a single Form PF?**

Related persons may (but are not required to) report on a single Form PF information with respect to all such *related persons* and the *private funds* they advise. You must identify in your response to Question 1 the *related persons* as to which you are reporting and, where information is requested about you or the *private funds* you advise, respond as though you and such *related persons* were one *firm*.

3. **How is Form PF organized?**

Section 1 – All Form PF filers

Section 1a All *private fund advisers* required to file Form PF must complete Section 1a. Section 1a asks general identifying information about you and the types of *private funds* you advise.

Section 1b All *private fund advisers* required to file Form PF must complete Section 1b. Section 1b asks for certain information regarding the *private funds* that you advise.

Section 1c All *private fund advisers* that are required to file Form PF and advise one or more *hedge funds* must complete Section 1c. Section 1c asks for certain information regarding the *hedge funds* that you advise.

Section 2 – Large hedge fund advisers

Section 2 If you and your *related persons*, collectively, had at least \$10 billion in *hedge fund assets under management* as of the last day of any month in the fiscal quarter immediately preceding your most recently completed fiscal quarter, you must complete a separate Section 2 with respect to each *qualifying hedge fund* that you advise. You are not required to include the *regulatory assets under management* of any *related person* that is *separately operated*.

In addition, you must complete a separate Section 2 for each *parallel fund* that is part of a *parallel fund structure* that, in the aggregate, comprises a *qualifying hedge fund* (even if that *parallel fund* is not itself a *qualifying hedge fund*); and you must complete a separate Section 2 for the *master fund* of any *master-feeder arrangement* that, in the aggregate, comprises a *qualifying hedge fund* (even if that *master fund* is not itself a *qualifying hedge fund*) in accordance with Instruction 6.

Section 3 – Large liquidity fund advisers

Section 3 You are required to complete Section 3 if (i) you advise one or more *liquidity funds* and (ii) as of the last day of any month in the fiscal quarter immediately preceding your most recently completed fiscal quarter, you and your *related persons*, collectively, had at least \$1 billion in *combined money market and liquidity fund assets under management*. You are not required to include the *regulatory assets under management* of any *related person* that is *separately operated*.

You must complete a separate Section 3 with respect to each *liquidity fund* that you advise.

Section 4 – Large private equity fund advisers

Section 4 You are required to complete Section 4 if you and your *related persons*, collectively, had at least \$2 billion in *private equity fund assets under management* as of the last day of your most recently completed fiscal year. You are not required to include the *regulatory assets under management* of any *related person* that is *separately operated*.

You must complete a separate Section 4 with respect to each *private equity fund* that you advise.

Section 5 – Current report for large hedge fund advisers to qualifying hedge funds

Section 5 Section 5 is the current reporting form for *large hedge fund advisers to qualifying hedge funds*. You must complete and file Section 5 for any *current reporting event* with respect to a *qualifying hedge fund* you advise.

Section 6 – Advisers requesting a temporary hardship exemption

Section 6 See Instruction 14 for details.

4. I am a subadviser or engage a subadviser for a private fund. Who is responsible for reporting information about that private fund?

Only one *private fund adviser* should complete and file Form PF for each *private fund*. If the adviser that filed *Form ADV Section 7.B.1* with respect to any *private fund* is required to file Form PF, the same adviser must also complete and file Form PF for that *private fund*. If the adviser that filed *Form ADV Section 7.B.1* with respect to any *private fund* is not required to file Form PF (e.g., because it is an *exempt reporting adviser*) and one or more other advisers to the fund is required to file Form PF, another adviser must complete and file Form PF for that *private fund*.

Where a question requests aggregate information regarding the *private funds* that you advise, you should only include information regarding the *private funds* for which you are filing Section 1b of Form PF.

5. For purposes of determining whether I meet any reporting threshold, when am I required to aggregate information regarding parallel funds, parallel managed accounts, master-feeder arrangements, and funds managed by related persons?

- You must aggregate any *private funds* that are part of the same *master-feeder arrangement* (even if you did not, or were not permitted to, aggregate these *private funds* for purposes of *Form ADV Section 7.B.1*).
- You must aggregate any *private funds* that are part of the same *parallel fund structure*.
- Any *dependent parallel managed account* must be aggregated with the largest *private fund* to which that *dependent parallel managed account* relates.
- You must treat any *private fund* or *parallel managed account* advised by any of your *related persons* as though it were advised by you (including *related persons* that you have not identified in Question 1(b) as *related persons* for which you are filing Form PF, though you may exclude *related persons* that are *separately operated*). Where you are aggregating *dependent parallel managed accounts* to determine whether you meet a reporting threshold, assets held in the accounts should be treated as assets of the *private funds* with which they are aggregated.

6. How do I report information regarding parallel funds, parallel managed accounts, master-feeder

arrangements, and funds reported by related persons?

You must separately report each component fund of *master-feeder arrangements* and *parallel fund structures*. However:

- Do not report a feeder fund that invests all of its assets in (i) a single master fund, (ii) U.S. treasury bills, and/or (iii) cash and cash equivalents (i.e., a disregarded *feeder fund*). You may also treat a *feeder fund* that does not invest more than 5 percent of its *gross asset value* in other investments that are not in a single *master fund*, U.S. treasury bills, and/or *cash and cash equivalents*, as a disregarded *feeder fund*. In reporting a *master fund*, you must identify whether each *feeder fund* is a disregarded *feeder fund* in Question 7 and “look through” to any disregarded *feeder funds*’ investors in responding to Questions 21 – 22, 51 – 53, and 59 – 64.
- Do not report information regarding *parallel managed accounts* (except in Question 16).
- Do not report information for any *private fund* advised by any of your *related persons* unless you have identified that *related person* in Question 1(b) as a *related person* for which you are filing Form PF.

Example 1.

You advise a *master-feeder arrangement* with two *feeder funds*. *Feeder fund X* has invested \$540 in the *master fund* and holds a *foreign exchange derivative* with a mark-to-market value of \$60 which represents 10% of the total *gross asset value* of \$600 for *feeder fund X*. *Feeder fund Y* invests \$200 in the *master fund* and has no other assets or liabilities, except cash. The *master fund* has used the \$740 received from the *feeder funds* to invest in *corporate bonds*. None of these funds has any other assets or liabilities.

For purposes of determining whether any of the funds comprises a *qualifying hedge fund*, this *master-feeder arrangement* should be treated as a single *private fund* whose only investments are \$740 in *corporate bonds* and a *foreign exchange derivative* with a mark-to-market value of \$60.

For reporting purposes, if the aggregated *master-feeder arrangement* comprises a *qualifying hedge fund*, the *master fund* is reported as a *qualifying hedge fund* (complete Section 2 (even if is not a *qualifying hedge fund* by itself) and report *feeder fund X* and *feeder fund Y* as *internal private fund* investors in Question 7).

A separate report for *feeder fund X* is required because the fund holds assets greater than 5 percent of its *gross asset value* in addition to its investment in the *master fund* and *cash and cash equivalents* (complete Section 1b and 1c). Further, if *feeder fund X* meets the threshold to be a *qualifying hedge fund*, it also must be reported as a *qualifying hedge fund* (complete Section 2 and Section 5, as applicable). In determining the *feeder fund*’s reporting threshold, you should include all assets and liabilities of the *feeder fund*, except for any assets invested in the *master fund*.

A separate report is not required for *feeder fund Y* because it invests in a single *master fund* and has no other assets or liabilities except cash.

Example 2.

You advise a *parallel fund structure* consisting of two *hedge funds*, named *parallel fund A* and *parallel fund B*. You also advise a *related dependent parallel managed account*. The account and each fund have invested in *corporate bonds* of Company X and have no other assets or liabilities. The value of *parallel fund A*’s investment is \$400, the value of *parallel fund B*’s

investment is \$300 and the value of the *dependent parallel managed account's* investment is \$200. For purposes of determining whether either of the *parallel funds* is a *qualifying hedge fund*, the entire *parallel fund structure* and the related *dependent parallel managed account* should be treated as a single *private fund* whose only asset is \$900 of *corporate bonds* issued by Company X.

For reporting purposes, both *parallel fund A* and *parallel fund B* must be reported separately (for each of *parallel fund A* and *B*, complete Sections 1b and 1c, Section 2, and Section 5, as applicable, if the *parallel fund structure* is a *qualifying hedge fund*). You would disregard the value of the investment by the *dependent parallel managed account* when reporting for *parallel fund A* and *B*, and instead, report the value of that investment (\$200) in Question 16 for the largest *parallel fund*, *parallel fund A*.

7. I advise a *private fund* that invests in other *private funds* (e.g., a “fund of funds”) or trading vehicles. How should I treat these investments for purposes of Form PF?

Reporting thresholds. You must include the value of *private fund* investments in other *private funds* in determining whether you are required to file Form PF and whether you meet thresholds for filing as a *large hedge fund adviser*, *large liquidity fund adviser*, or *large private equity fund adviser* and whether a *reporting fund* is a *qualifying hedge fund*.

Funds that invest 80% or more of their assets in other *private funds*. If you advise a *private fund* that (i) invests 80% or more of its assets in the equity of *private funds* (including *internal private funds* and *external private funds*) and (ii) aside from such *private fund* investments, holds only *cash* and *cash equivalents* and instruments acquired for the purpose of hedging currency exposure, then you are only required to complete Section 1b for that fund.

Trading vehicles. If the *reporting fund* holds assets, incurs leverage, or conducts trading or other activities through a *trading vehicle*, you must report answers on an aggregated basis for the *reporting fund* and such *trading vehicle*. You must include (look through to) the *trading vehicle's* holdings, adjusted for the *reporting fund's* percentage ownership of the *trading vehicle*, for all questions answered by the *reporting fund*. In responding to Question 9, you must identify each *trading vehicle* that is either (i) listed or required to be listed on Section 7.B of Schedule D of your or another adviser's Form ADV or (ii) included or required to be included in a response to Questions 27, 28, 42, 43 or 44.

Responding to questions. Except as otherwise provided in the instructions for a particular question in Form PF, include the value of a *reporting fund's* investments in other *private funds* (both *internal* and *external*) in responding to questions under this Form PF. For example, (i) include the value of the *reporting fund's* investments in other *private funds* in reporting *gross asset value* and *net asset value* in Question 11 and 12, but (ii) exclude the value of a *reporting fund's* investment in other *private funds* in Question 3, the instructions to which explain that you must not include the value of a *reporting fund's* investments in other *internal private funds* in responding to the question.

Do not “look through” the *reporting fund's* investments in *internal private funds* or *external private funds* (other than a *trading vehicle* as explained above) in responding to questions on the Form. For example, do not look through to the creditors of or counterparties to other *private funds* in responding to questions that ask about a *reporting fund's* borrowing and counterparty exposure (e.g., Questions 18, 26, 27, and 28). Where selected questions in Section 2 of the Form require you to report indirect exposure resulting from positions held through other entities including *private funds* (See Question 32, Question 33, Question 35, Question 36, and Question 47), you may report based on reasonable estimates that are consistent with your internal methodologies and conventions of service providers, as provided for in the instructions under those questions.

Solely for purposes of this Instruction 7, you may treat as a *private fund* any issuer formed under the laws of a jurisdiction other than the United States that has not offered or sold its securities in the United States or to *United States persons* but that would be a *private fund* if it had engaged in such an offering or sale.

8. I advise a *private fund* that invests in funds or other entities that are not *private funds* or *trading vehicles*. How should I treat these investments for purposes of Form PF?

Include the *value* of investments in any fund or other entity for all purposes under this Form PF. For example, you must include the value of these investments in determining reporting thresholds and responding to questions. For example, include the value of these investments in determining *gross asset value* in Question 11 and net asset value in Question 12.

Except for *trading vehicles*, do not “look through” a *reporting fund’s* investments in any fund or other entity. For example, do not “look through” to the creditors of or counterparties to any fund or other entity in responding to questions that ask about a *reporting fund’s* *borrowing* and counterparty exposure (e.g., Questions 18, 26, 27, and 28). Where selected questions in Section 2 of the Form require you to report indirect exposure resulting from positions held through entities, such as a fund or other entity (See Question 32, Question 33, Question 35, Question 36, and Question 47), you may report based on reasonable estimates that are consistent with your internal methodologies and conventions of service providers, as provided for in the instructions under those questions. You should “look through” *trading vehicles* for all questions as provided in Instruction 7.

9. When am I required to update Form PF?

You are required to update Form PF at the following times:

*Periodic filings
(large hedge
fund advisers)*

Within 60 calendar days after the end of each calendar quarter, you must file a *quarterly update* that updates the answers to all Items in this Form PF relating to the *hedge funds* that you advise.

If your fiscal year does not end at the end of a calendar quarter, you must file a *quarterly update* that updates the answers to all Items in this Form PF within 60 days after the end of the next calendar quarter after your fiscal year end.

You may, however, submit an initial filing for the next calendar quarter after your fiscal year end that updates information relating only to the *hedge funds* that you advise so long as you amend your Form PF within 120 calendar days after the end of your fiscal year to update information relating to any other *private funds* that you advise. When you file such an amendment, you are not required to update information previously filed for such quarter.

*Periodic filings
(large liquidity
fund advisers)*

Within 15 calendar days after the end of each calendar quarter, you must file a *quarterly update* that updates the answers to all Items in this Form PF relating to the *liquidity funds* that you advise.

If your fiscal year does not end at the end of a calendar quarter, you must file a *quarterly update* that updates the answers to all Items in this Form PF within 15 days after the end of the next calendar quarter after your fiscal year end.

You may, however, submit an initial filing for the next calendar quarter

after your fiscal year end that updates information relating only to the *liquidity funds* that you advise so long as you amend your Form PF within 120 calendar days after the end of your fiscal year to update information relating to any other *private funds* that you advise (subject to the next paragraph). When you file such an amendment, you are not required to update information previously filed for such quarter.

If you are both a *large liquidity fund adviser* and a *large hedge fund adviser*, you must file your *quarterly updates* with respect to the *liquidity funds* that you advise within 15 calendar days and with respect to the *hedge funds* you advise within 60 calendar days.

*Periodic filings
(all other
advisers)*

Within 120 calendar days after the end of your fiscal year, you must file an *annual update* that updates the answers to all Items in this Form PF.

Large hedge fund advisers and *large liquidity fund advisers* are not required to file *annual updates* but instead file *quarterly updates* for the next calendar quarter after their fiscal year end.

Transition filing

If you are transitioning from quarterly to annual filing because you are no longer a *large hedge fund adviser* or *large liquidity fund adviser*, then you must complete and file Item A of Section 1a and check the box in Section 1a indicating that you are making your final quarterly filing. You must file your transition filing no later than the last day on which your next *quarterly update* would be timely.

*Current reports
(large hedge
fund advisers)*

Large hedge fund advisers must file a *current report* in Section 5 upon certain *current reporting events* with respect to *qualifying hedge funds* they advise. See Section 5 for filing deadlines.

Final filing

If you are no longer required to file Form PF, then you must complete and file Item A of Section 1a and check the box in Section 1a indicating that you are making your final filing. You must file your final filing no later than the last day on which your next Form PF update would be timely. This applies to all Form PF filers.

Failure to update your Form PF as required by these instructions is a violation of SEC and, where applicable, CFTC rules and could lead to revocation of your registration.

10. How do I obtain *private fund* identification numbers for my *reporting funds*?

Each *private fund* must have an identification number for purposes of reporting on *Form ADV* and Form PF. *Private fund* identification numbers can only be obtained by filing *Form ADV*.

If you need to obtain a *private fund* identification number and you are required to file a *quarterly update* of Form PF prior to your next annual update of *Form ADV*, then you must acquire the identification number by filing an other-than-annual amendment to your *Form ADV* and following the instructions on Form ADV for generating a new number. When filing an other-than-annual amendment for this purpose, you must complete and file all of *Form ADV Section 7.B.1* for the new *private fund*.

See Instruction 6 to Part 1A of *Form ADV* for additional information regarding the acquisition and use of *private fund* identification numbers.

11. Who must sign my Form PF or update?

The individual who signs the Form PF depends upon your form of organization: For a sole proprietorship, the sole proprietor.

- For a partnership, a general partner.
- For a corporation, an authorized principal officer.
- For a limited liability company, a managing member or authorized person.
- For a SID, a principal officer of your bank who is directly engaged in the management, direction, or supervision of your investment advisory activities.
- For all others, an authorized individual who participates in managing or directing your affairs.

The signature does not have to be notarized and should be a typed name.

If you and one or more of your *related persons* are filing a single Form PF, then Form PF may be signed by one or more individuals; however, the individual, or the individuals collectively, must have authority, as provided above, to sign both on your behalf and on behalf of all such *related persons*.

12. How do I file my Form PF?

You must file Form PF electronically through the Form PF filing system on the Investment Adviser Registration Depository website (www.iard.com), which contains detailed filing instructions. Questions regarding filing through the Form PF filing system should be addressed to the Financial Industry Regulatory Authority (FINRA) at 240-386-4848.

If you are a *large hedge fund adviser* filing a current report in Section 5, only file Section 5. Do not file any other sections of the Form. For all other types of filings, file the applicable sections as provided in Instruction 3.

13. Are there filing fees?

Yes, you must pay a filing fee for your Form PF filings. The Form PF filing fee schedule is published at <http://www.sec.gov/iard> and <http://www.iard.com>.

14. What if I am not able to file electronically?

A temporary hardship exemption is available if you encounter unanticipated technical difficulties that prevent you from making a timely filing with the Form PF filing system, such as a computer malfunction or electrical outage. This exemption does not permit you to file on paper; instead, it extends the deadline for an electronic filing for seven “business days” (as such term is used in *SEC* rule 204(b)-1(f)).

To request a temporary hardship exemption, you must complete and file on paper Item A of Section 1a and Section 6 of Form PF, checking the box in Section 1a indicating that you are requesting a temporary hardship exemption. Do not complete or file any other sections of Form PF. Mail one manually signed original and one copy of your exemption filing to: U.S. Securities and Exchange Commission, Investment Adviser Regulation Office, Mail Stop 0-25, 100 F Street NE, Washington, DC 20549 or submit electronically your signed exemption filing in PDF format by email to FormPF@sec.gov. You must preserve in your records a copy of any temporary hardship exemption filing. Any request for a temporary hardship exemption must be filed no later than one business day after the electronic Form PF filing was due. For more information, see *SEC* rule 204(b)-1(f).

15. May I rely on my own methodologies in responding to Form PF? How should I enter requested information?

You may respond to this Form using your own internal methodologies and the conventions of your service providers, provided the information is consistent with information that you report internally and to current and prospective investors. However, your methodologies must be consistently applied, and your responses must be consistent with any instructions or other guidance relating to this Form. You may explain any of your methodologies, including related assumptions, in Question 4.

In responding to Questions on this Form, the following guidelines apply unless otherwise specifically indicated:

- provide the requested information as of the close of business on the *data reporting date*;
- if information is requested for any month or quarter, provide the requested information as of the close of business on the last calendar day of the month or quarter, respectively;
- if a question requests information expressed as a percentage, enter the response as a percentage (not a decimal) rounded to the nearest one hundredth of one percent;
- if a question requests a monetary value, provide the information in U.S. dollars as of the *data reporting date* (or other requested date), rounded to the nearest thousand, using a foreign exchange rate for the applicable date;
- if a question requests a monetary value for transactional data that covers a reporting period, provide the information in U.S. dollars, rounded to the nearest thousand, using foreign exchange rates as of the dates of any transactions to convert local currency values to U.S. dollars (see questions 14, 29, and 30(a));
- if a question requests a numerical value other than a percentage or a dollar value, provide information rounded to the nearest whole number;
- if a question requests information regarding a “position” or “positions,” treat two or more legs of a transaction even if offsetting or partially offsetting, or even if entered into with the same counterparty under the same master agreement as two separate positions, even if reported internally as part of a larger transaction. However, exclude closed-out positions that are closed out with the same counterparty provided that there is no credit or market exposure to the *reporting fund*;
- if a question requires you to distinguish long positions from short positions, classify positions as follows: a long position experiences a gain when the price of the market factor to which it relates increases (and/or the yield of that factor decreases), and a short position experiences a loss when the price of the market factor to which it relates increases (and/or the yield of that factor decreases);
- do not net long and short positions;
- for derivatives (other than *interest rate derivatives* and options), “value” means *gross notional value*; for *interest rate derivatives*, “value” means the *10-year bond equivalent*; for options, “value” means delta adjusted notional value (expressed as a *10-year bond equivalent* for options that are *interest rate derivatives*); in determining the “value” of derivatives positions, do not net long and short positions or offsetting or partially offsetting trades; but exclude closed-out positions that are closed out with the same counterparty provided that there is no credit or market exposure to the *reporting fund*;
- for all other investments and for all *borrowings* where the *reporting fund* is the creditor, “value”

means market value or, where there is not a readily available market value, fair value; for *borrowings* where the *reporting fund* is the debtor, “*value*” means the value you report internally and to current and prospective investors; and

16. How do I amend Form PF, for example, to make a correction?

If you discover that information you filed on Form PF was not accurate at the time of filing, you may correct the information by re-filing and checking the box in Section 1a, or Section 5, as applicable, indicating that you are amending a previously submitted filing. You are not required to update information that you believe in good faith properly responded to Form PF on the date of filing even if that information is subsequently revised for purposes of your recordkeeping, risk management or investor reporting (such as estimates that are refined after completion of a subsequent audit).

Large hedge fund advisers and *large liquidity fund advisers* that comply with their fourth quarter filing obligations by submitting an initial filing followed by an amendment in accordance with Instruction 9 will not be viewed as affirming responses regarding one fund solely by providing updated information regarding another fund at a later date.

17. How may I preserve on Form PF the anonymity of a *private fund* that I advise?

If you seek to preserve the anonymity of a *private fund* that you advise by maintaining its identity in your books and records in numerical or alphabetical code, or similar designation, pursuant to rule 204-2(d), you may identify the *private fund* on Form PF using the same code or designation in place of the fund’s name.

18. How should I treat a *commodity pool* for purposes of Form PF?

Commodity pools should be treated as *hedge funds* for purposes of Form PF. If you are reporting on Form PF regarding a *commodity pool* that is not a *private fund*, then you may treat it as a *private fund* for purposes of Form PF. However, such a *commodity pool* is not required to be included when determining whether you exceed one or more reporting thresholds. If such a *commodity pool* is a *qualifying hedge fund* and you are otherwise required to report information in section 2 of Form PF, then you must report regarding the *commodity pool* in section 2 of Form PF.

Federal Information Law and Requirements for a Collection of Information

Section 204(b) of the *Advisers Act* [15 U.S.C.80b-4(b)] authorizes the *SEC* to collect the information that Form PF requires. The information collected on Form PF is designed to facilitate the Financial Stability Oversight Council's ("FSOC") monitoring of systemic risk in the private fund industry and to assist FSOC in determining whether and how to deploy its regulatory tools with respect to nonbank financial companies. The *SEC* and *CFTC* may also use information collected on Form PF in their regulatory programs, including examinations, investigations and investor protection efforts relating to private fund advisers. Filing Form PF is mandatory for advisers that satisfy the criteria described in Instruction 1 to the Form. *See also* 17 CFR 275.204(b)-1. The *SEC* does not intend to make public information reported on Form PF that is identifiable to any particular adviser or *private fund*, although the *SEC* may use Form PF information in an enforcement action. *See* Section 204(b) of the *Advisers Act*.

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid control number. The Office of Management and Budget has reviewed this collection of information under 44 U.S.C. 3507. Any member of the public may direct any comments concerning the accuracy of the burden estimate and any suggestion for reducing this burden to: Secretary, U.S. Securities and Exchange Commission, 100 F Street NE, Washington, DC 20549.

Form PF Section 1a	Information about you and your <i>related persons</i> (to be completed by all Form PF filers)

Section 1a: Information about you and your *related persons*

Check the box that indicates what you would like to do:

- a. If you are not a *large hedge fund adviser* or *large liquidity fund adviser*:

☐ Submit your first filing on Form PF for the period ended:

☐ Submit an *annual update* for the period ended:

☐ Amend a previously submitted filing for the period ended:

☐ Submit a final filing

☐ Request a temporary hardship exemption
- b. If you are a *large hedge fund adviser* or *large liquidity fund adviser*:

☐ Submit your first filing on Form PF for the [1st, 2nd, 3rd, 4th] quarter, which ended: _ Submit a *quarterly update* (including fourth quarter updates) for the [1st, 2nd, 3rd, 4th] quarter, which ended:

☐ Amend a previously submitted filing for the [1st, 2nd, 3rd, 4th] quarter, which ended:

☐ Transition to annual reporting

☐ Submit a final filing

☐ Request a temporary hardship exemption

Item A. Information about you

1. (a) Provide your name and the other identifying information requested below.

(This should be your full legal name. If you are a sole proprietor, this will be your last, first, and middle names. If you are a SID, enter the full legal name of your bank. Please use the same name that you use in your Form ADV.)

Legal name	SEC 801-Number	NFA ID Number, if any	Large trader ID, if any	Large trader ID suffix, if any	LEI, if

- (b) Provide the following information for each of the *related persons*, if any, with respect to which you are reporting information on this Form PF:

Legal name	SEC 801-Number	NFA ID Number, if any	Large trader ID, if any	Large trader ID suffix, if any	LEI, if

- (c) Provide the following information for yourself and each of the *related persons*, if any, with respect to which you are reporting information on this Form PF that is registered or required to be registered as a *CPO* and/or *CTA*:

Item B. Information about assets of private funds that you advise

3. Provide a breakdown of your regulatory assets under management and your net assets under management as follows:

(If you are filing a quarterly update for your first, second or third fiscal quarter, you are only required to update row (a), in the case of a large hedge fund adviser, or row (b), in the case of a large liquidity fund adviser. To avoid double counting, do not include the value of your private funds' investments in other internal private funds.)

	Regulatory assets under management	Net assets under management
(a) Hedge funds		
(b) Liquidity funds		
(c) Private equity funds		
(d) Real estate funds		
(e) Securitized asset funds		
(f) Venture capital funds		
(g) Other private funds		
(h) Funds and accounts other than private funds (i.e., the remainder of your assets under management)		

Item C. Miscellaneous

4. You may use the space below to explain any assumptions that you made in responding to any question in this Form PF. Assumptions must be in addition to, or reasonably follow from, any instructions or other guidance relating to Form PF. If you are aware of any instructions or other guidance that may require a different assumption, provide a citation and explain why that assumption is not appropriate for this purpose. To the extent responses relate to a particular question, provide the Question number(s), as applicable.

Question number	Description
[drop-down list for question number or "all" options.]	

**Form PF
Section 1b****Information about the *private funds* you advise**
(to be completed by all Form PF filers)**Section 1b: Information about the *private funds* you advise**

You must complete a separate Section 1b for each *private fund* that you advise, except as provided by Instruction 6.

Item A. Reporting fund identifying information

5. (a) Name of the *reporting fund*
- (b) *Private fund* identification number of the *reporting fund*
- (c) *NFA* identification number of the *reporting fund*, if applicable
- (d) *LEI* of the *reporting fund*, if any
6. (a) For purposes of reporting on this Form PF, what type of fund is the *reporting fund*? [Select one]
[drop-down list for *hedge fund that is not a qualifying hedge fund*, *qualifying hedge fund*, *liquidity fund*, *private equity fund*, *real estate fund*, *securitized asset fund*, *venture capital fund*, or “other.”]
If you identify the reporting fund as “other,” describe the reporting fund in Question 4, including why it would not qualify for any of the other selections. If you identify the reporting fund as a different type of fund on Form ADV, explain why in Question 4.
- (b) Is the *reporting fund* a commodity pool?
☐ Yes ☐ No
- (c) Does the *reporting fund* operate as a *UCITS*?
☐ Yes ☐ No
- (d) If you checked yes in (c), in what countries does the *reporting fund* operate as a *UCITS*?
[Drop-down list]
- (e) Does the *reporting fund* operate as an *AIF*?
☐ Yes ☐ No
- (f) If you checked yes in (e), in what countries does the *reporting fund* operate as an *AIF*?
[Drop-down list]
- (g) Does the *reporting fund* offer itself as a money market fund outside the United States?
☐ Yes ☐ No
- (h) If you checked yes in (g), in what countries does the *reporting fund* offer itself as a money market fund? [Drop-down list]
- (For the purposes of responding to Question 6(g) and 6(h) only, a money market fund includes a similar fund that operates outside of the United States in accordance with applicable non-U.S. laws and are not limited to “money market funds” as defined in the Glossary of Terms.)

7. (a) Is the *reporting fund* the *master fund* of a *master-feeder arrangement*? If so, check “yes” below, and complete (i), (ii), and (iii) for each *feeder fund*. Otherwise, check “no.” See *Instructions 5, 6, and 7* for information on treatment of master-feeder arrangements.

☐ Yes ☐ No

(i) Name of *feeder fund*

(ii) *Private fund* identification number of the *feeder fund*

(iii) Is the *feeder fund* a separate *reporting fund*? If so, check “yes,” below. If the *feeder fund* is a “disregarded” *feeder fund* in accordance with *Instruction 6*, check “no.”

☐ Yes ☐ No

- (b) Do any *internal private funds* (other than the *feeder funds* identified in (a) above) invest in the *reporting fund*? If so, check “yes” and complete (i), (ii), and (iii) for each such *internal private fund*. Otherwise, check “no.”

☐ Yes ☐ No

(i) Name of *internal private fund*

(ii) *Internal private fund's LEI*, if it has one

(iii) *Private fund* identification number of the *internal private fund*

8. (a) Is the *reporting fund* a component of a *parallel fund structure*? If so, check “yes” below. Otherwise, check “no.” (See *Instructions 5 and 6* for information regarding the treatment of *parallel funds*.)

☐ Yes ☐ No

If you responded “yes” to Question 8(a), complete (b) through (e) below for each component in the *parallel fund structure*.

(b) Name of the *parallel fund*

(c) *Private fund* identification number of the *parallel fund*

(d) *NFA* identification number of the *parallel fund*, if applicable

(e) *LEI* of the *parallel fund*, if any

9. If the *reporting fund* holds assets, incurs leverage, or conducts trading or other activities through a *trading vehicle*, provide the following information about each *trading vehicle* that is either (i) listed or required to be listed on Section 7.B of Schedule D of your or another adviser’s Form ADV or (ii) included or required to be included in a response to Questions 27, 28, 42, 43 or 44.

(a) Legal name

(b) *LEI*, if any.....

(c) Other identifying information (indicate type used, if applicable. *E.g., RSSD ID*)

(d) Does the *reporting fund* hold assets through the *trading vehicle*?

☐ Yes ☐ No

(e) Does the *reporting fund* incur leverage through the *trading vehicle*?

☐ Yes ☐ No

(f) Does the *reporting fund* conduct trading or other activities through the *trading vehicle*?

☐ Yes ☐ No

10. (a) Is the *reporting fund* an *open-end private fund*?

☐ Yes ☐ No

(b) Is the *reporting fund* a *closed-end private fund*?

☐ Yes ☐ No

(If you responded “no” to both question 10(a) and question 10(b), please provide a detailed explanation in question 4.)

(c) If you responded “yes” to 10(a), indicate whether withdrawals/redemptions are permitted most commonly (*i.e.* with respect to most investors) (regardless of whether there are notice requirements, “gates,” lock-ups, or other restrictions on withdrawals/redemptions). (check one):

- ☐ on any business day
☐ at intervals of least two business days and up to a month
☐ at intervals longer than monthly up to quarterly
☐ at intervals longer than quarterly up to annually
☐ at intervals of more than one year

(d) If you responded “yes” to 10(a), indicate, as of the *data reporting date*, what percentage of the *reporting fund's net asset value*, if any:

- (i) May be subjected to a suspension of investor withdrawals/redemptions by an adviser or fund governing body (*this question relates to an adviser's or governing body's right to suspend and not just whether a suspension is currently effective*).....
- (ii) May be subjected to material restrictions on investor withdrawals/redemptions (e.g., “gates”) by an adviser or fund governing body (*this question relates to an adviser's or governing body's right to impose a restriction and not just whether a restriction has been imposed*)
- (iii) Is subject to a suspension of investor withdrawals/redemptions (*this question relates to whether a suspension is currently effective and not just an adviser's or governing body's right to suspend*)
- (iv) Is subject to a material restriction on investor withdrawals/redemptions (e.g., a “gate”) (*this question relates to whether a restriction has been imposed and not just an adviser's or governing body's right to impose a restriction*)

(For Question 10(d), please note that the standards for imposing suspensions and restrictions on withdrawals/redemptions may vary among funds. Make a good faith determination of the provisions that would likely be triggered during conditions that you view as significant market stress.)

Item B. Assets, financing, and investor concentration

11.

	Date	Gross Asset Value or Gross Reporting fund Aggregate Calculated Value
(a) Gross asset value of the reporting fund as of the end of the reporting period.....	[Drop-down list of month, day, year]	
(b) If you are filing a quarterly update, provide the reporting fund's gross asset value if available, or gross reporting fund aggregate calculated value if the gross asset value is not available, as of the end of the first month of the reporting period.....	[Drop-down list of month, day, year]	
(c) If you are filing a quarterly update, provide the reporting fund's gross asset value if available, or gross reporting fund aggregate calculated value if the gross asset value is not available, as of the end of the second month of the reporting period...	[Drop-down list of month, day, year]	

(The amount of the gross asset value of the reporting fund as of the end of the reporting period may differ from the amount you reported in response to question 11 of Form ADV Section 7.B.1. For instance, the amounts may not be the same if you are filing Form PF on a quarterly basis or because you may not aggregate a master-feeder arrangement for purposes of this Form PF.)

(For a feeder fund, the gross asset value and gross reporting fund aggregate calculated value calculations should be inclusive of its equity holdings in the master fund, along with its other holdings).

- (d) Is the value reported in Question 11(b) above a gross reporting fund aggregate calculated value?

☐ Yes

☐ No
- (e) Is the value reported in Question 11(c) above a gross reporting fund aggregate calculated value?

☐ Yes

☐ No

12.

	Date	Net Asset Value or Reporting fund Aggregate Calculated Value
(a) <i>Net asset value of the reporting fund as of the end of the reporting period.....</i>	[Drop-down list of month, day, year]	
(b) <i>If you are filing a quarterly update, provide the reporting fund's net asset value if available or, reporting fund aggregate calculated value if the net asset value is not available, as of the end of the first month of the reporting period.....</i>	[Drop-down list of month, day, year]	
(c) <i>If you are filing a quarterly update, provide the reporting fund's net asset value if available or, reporting fund aggregate calculated value if the net asset value is not available, as of the end of the second month of the reporting period.....</i>	[Drop-down list of month, day, year]	

(For a feeder fund, the net asset value and net reporting fund aggregate calculated value calculations should be inclusive of its equity holdings in the master fund, along with its other holdings).

(d) Is the value reported in Question 12(b) above a *reporting fund aggregate calculated value*?

☐

Yes

☐

No

(e) Is the value reported in Question 12(c) above a *reporting fund aggregate calculated value*?

☐

Yes

☐

No

13. *Value of unfunded commitments included in gross asset value or gross reporting fund aggregate calculated value and net asset value or reporting fund aggregate calculated value reported in Questions 11 and 12 (if the reporting fund does not contract for unfunded commitments, enter "NA")*

14. Provide the following information concerning the *reporting fund's* activity during the *reporting period*.

(For the purpose of this question, contributions include all new contributions from investors, but exclude contributions of committed capital that you have already included in gross asset value calculated in accordance with Form ADV, Part 1A, Instruction 6.e.(3). Withdrawals and redemptions from the reporting fund include all withdrawals, redemptions and other distributions of any kind to investors.)

(If you are filing a quarterly update, provide this information for each month of the reporting period.)

(a) Contributions to the *reporting fund* during the *reporting period*

(b) Withdrawals and redemptions from the *reporting fund* during the *reporting period*

15. (a) Value of *reporting fund's* investments in equity of *external private funds*:

(b) Check "yes" if the *reporting fund* is a *feeder fund* in a *master-feeder arrangement* and complete the information below for the *master fund* in which this fund invests. Otherwise, check "no."

☐

Yes

☐

No

- (i) Name of *master fund*

(ii) *Private fund* identification number of the *master fund*:

(iii) The *master fund*'s *LEI*, if any.....

(iv) *Value* of the *private fund*'s investments in equity of the *master fund*:
- (c) Check “yes” if the *reporting fund* invests in any *internal private funds* and complete the information below for each such *internal private fund*. Otherwise, check “no.” Do not complete (c)(i) through (c)(iv) for a *master fund* identified in (b), above.

☐ Yes

☐ No

(i) Name of *internal private fund*

(ii) *Private fund* identification number of the *internal private fund*

(iii) The *internal private fund*'s *LEI*, if any

(iv) *Value* of the *private fund*'s investments in equity of the *internal private fund*
16. *Value* of all *parallel managed accounts* related to the *reporting fund*:
(If any of your parallel managed accounts relates to more than one of the private funds you advise, only report the value of the account once, in connection with the largest private fund to which it relates)
17. What is the *reporting fund*'s base currency?
[drop-down list of currencies]
Other _____
18. Provide the following information regarding the *value* of the *reporting fund's borrowings* and the types of creditors.

(You are not required to respond to this question for any reporting fund with respect to which you are answering Question 71 in Section 4. Do not net out amounts that the reporting fund loans to creditors or the value of collateral pledged to creditors.)
(The percentages borrowed from the specified types of creditors should add up to approximately 100%.)

(a) Dollar amount of total *borrowings*

(b) Percentage borrowed from *U.S. depository institutions*

(c) Percentage borrowed from *U.S. creditors* that are not *U.S. depository institutions*

(d) Percentage borrowed from non-*U.S. creditors*

19. (a) Does the *reporting fund* have any outstanding derivatives positions?

☐ Yes

☐ No

(b) If you responded “yes” to Question 19(a), provide the aggregate *value* of all derivatives positions of the *reporting fund*
20. Provide a summary of the *reporting fund's* assets and liabilities categorized using the hierarchy below and indicate the date as of which this categorization was performed. For assets and liabilities that you report internally and to current and prospective investors as representing fair value, or for which you are required to determine fair value in order to report the *reporting fund's* regulatory assets under management on *Form ADV*, categorize them into the following categories based on the valuation assumptions utilized:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – Other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 – Unobservable inputs, such as your assumptions or the fund's assumptions used to determine the fair value of the asset or liability.

For any assets and liabilities that you report internally and to current and prospective investors as representing a measurement attribute other than fair value, and for which you are not required to determine fair value in order to report the *reporting fund's* regulatory assets under management on *Form ADV*, separately report these assets and liabilities in the “cost-based” measurement column.

Do not report *cash and cash equivalents* in any other column except for the *cash and cash equivalents* column.

(If the fund's financial statements are prepared in accordance with U.S. generally accepted accounting principles (“U.S. GAAP”) or another accounting standard that requires the categorization of assets and liabilities using a fair value hierarchy similar to that established under U.S. GAAP, then respond to this question using the fair value hierarchy established under the applicable accounting standard. Report the absolute value of all liabilities. If you report assets as a negative value, you must provide an explanation in Question 4.)

(You should use the estimated values for the fiscal year for which you are reporting if the audit of the financial statement is not yet completed when the Form PF is required to be filed and explain that the information is an estimate in Question 4. You may, but are not required to, amend when the audited financial statements are complete.)

(This question requires the use of fair values and cost-based measurements, which may be different from the values contemplated by Instruction 15. You are only required to respond to this question if you are filing an annual update or a quarterly update for your fourth fiscal quarter.)

As of date [drop-down box for month, day, year]

	Level 1	Level 2	Fair Value Level 3	Cost-based	Cash and Cash Equivalents
Assets					
Liabilities					

21. Specify the approximate percentage of the *reporting fund's* equity that is beneficially owned by the five beneficial owners having the largest equity interests in the *reporting fund*.

(For purposes of this question, if you know that two or more beneficial owners of the reporting fund are affiliated with each other, you should treat them as a single beneficial owner. If the reporting fund is the master fund in a master-feeder arrangement, include the beneficial owners of a disregarded feeder fund described by Instruction 6 as beneficial owners of the reporting fund.)

22. Specify the approximate percentage of the *reporting fund's* equity that is beneficially owned by the following groups of investors. If you select “other,” describe in Question 4 the type of investor, why it would not qualify for any of the other groups, and any other information to explain your selection.

(Include each investor in only one group. The total should add up to approximately 100%. With respect to beneficial interests outstanding prior to March 31, 2012, that have not been transferred on or after that date, you may respond to this question using good faith estimates based on data currently available to you. If the reporting fund is the master fund in a master-feeder arrangement, include the beneficial owners of a disregarded feeder fund described by Instruction 6 as beneficial owners of the reporting fund.)

- (a) Individuals that are *United States persons* (including their trusts).....
- (b) Individuals that are not *United States persons* (including their trusts).....
- (c) Broker-dealers that are *United States persons*.....
- (d) Broker-dealers that are not *United States persons*.....
- (e) Insurance companies that are *United States persons*.....
- (f) Insurance companies that are not *United States persons*.....
- (g) Investment companies registered with the SEC.....
- (h) *External private funds*.....
- (i) *Internal private funds*.....
- (j) Non-profits that are *United States persons*.....
- (k) Non-profits that are not *United States persons*.....
- (l) U.S. pension plans (excluding governmental pension plans).....
- (m) Non-U.S. pension funds (plans and funds that are not U.S. private or governmental pension plans).....
- (n) Banking or thrift institutions that are *United States persons*.....
- (o) Banking or thrift institutions that are not *United States persons*.....
- (p) U.S. state or municipal *government entities* (excluding governmental pension plans).....
- (q) U.S. state or municipal governmental pension plans
- (r) Sovereign wealth funds and foreign official institutions(excluding pension funds).....
- (s) Investors that are not *United States persons* and about which the foregoing beneficial ownership information is not known and cannot reasonably be obtained because the beneficial interest is held through a chain involving one or more third-party intermediaries
- (t) Other

Item C. Reporting fund performance

23. Complete (a) unless the *reporting fund's* performance is reported to current and prospective investors, counterparties, or otherwise, as an *internal rate of return* since inception, in which case, complete (b). The *reporting fund* may report performance as either a time-weighted return or a money-weighted return, such as an *internal rate of return*; however, the methodology used for reporting performance should be consistent over time.
- (a) Provide the *reporting fund's* gross and net performance, as reported to current and prospective investors, counterparties, or otherwise. Report the data using the *reporting fund's* base currency. Do not calculate the *reporting fund's* performance using *reporting fund aggregate calculated value*.
- If the fund reports different performance results to different groups, provide the most representative results and explain your selection in Question 4. You are required to provide monthly and quarterly performance results only if such results are calculated for the *reporting fund* (whether for purposes of reporting to current or prospective investors, counterparties, or

otherwise).

If you are submitting an initial filing or an *annual update*, complete (i) through (xvi) (concerning monthly and quarterly data), only if you calculate such results, and complete (xvii) (concerning yearly data). (For example, if you are submitting an initial filing or an *annual update* and you do not calculate monthly or quarterly performance results, complete (xvii) only.)

If you are submitting a *quarterly update*, complete the following:

- Complete (i) through (iii) (concerning monthly data), if you calculate such results; and
- Complete (xiii) through (xvi) for the applicable quarter. (For example, if you are filing a *quarterly update* for the first quarter of *reporting funds'* fiscal year, complete (xiii) (concerning the first quarter), but do not complete (xiv) (concerning the second quarter), (xv) (concerning the third quarter), or (xvi) (concerning the fourth quarter); and
- Complete (xvii) (data concerning the *reporting fund's* most recently completed fiscal year) only if the *quarterly update* is for the fourth quarter of *reporting fund's* fiscal year. If the *quarterly update* is not the fourth quarter of the *reporting fund's* fiscal year, do not complete (xvii).

(If your fiscal year is different from the reporting fund's fiscal year, then for any portion of the reporting fund's fiscal year that has not been completed as of the data reporting date, provide the relevant information from that portion of the reporting fund's preceding fiscal year.)

(Performance results for monthly and quarterly periods should not be annualized. If any period precedes the date of the fund's formation, enter "NA". You are not required to include performance results for any period with respect to which you previously provided performance results for the reporting fund on Form PF.)

	End date [drop-down list of month, day, year]	Gross performance	Net of management fees, incentive fees, and allocations
Monthly Data			
(i) 1 st month of reporting period			
(ii) 2 nd month of reporting period			
(iii) 3 rd month of reporting period			
(iv) 4 th month of reporting period			
(v) 5 th month of reporting period			
(vi) 6 th month of reporting period			
(vii) 7 th month of reporting period			
(viii) 8 th month of reporting period			
(ix) 9 th month of reporting period			
(x) 10 th month of reporting period			
(xi) 11 th month of reporting period			
(xii) 12 th month of reporting period			
Quarterly Data			
(xiii) First quarter of reporting fund's fiscal year			
(xiv) Second quarter of reporting fund's fiscal year			
(xv) Third quarter of reporting fund's fiscal year			
(xvi) Fourth quarter of reporting fund's fiscal year			
Yearly Data			
(xvii) Reporting fund's most recently completed fiscal year			

(b) If the reporting fund's performance is reported to current and prospective investors, counterparties, or otherwise, as an *internal rate of return* since inception, provide the reporting fund's performance below. If such information is reported to current and prospective investors, counterparties, or otherwise, in a currency other than U.S. dollars, report the data using that currency, and identify the currency in Question 4. Do not calculate the reporting fund's performance using a reporting fund aggregate calculated value.

If the fund reports different performance results to different groups, provide the most representative results and explain your selection in Question 4. You are required to provide quarterly performance results since inception only if such results are calculated for the reporting fund (whether for purposes of reporting to current and prospective investors, counterparties, or otherwise). Internal rates of return for periods longer than one year must be annualized, while internal rates of return for periods one year or less must not be annualized.

(i) Inception date used for *internal rate of return* calculation

- (ii) Inception through the first quarter of *reporting fund's* fiscal year
- (iii) Inception through the second quarter of *reporting fund's* fiscal year
- (iv) Inception through the third quarter of *reporting fund's* fiscal year
- (v) Inception through the end of the *reporting fund's* most recently completed fiscal year
- (vi) Does the reported *internal rate of return* include the effect of any *borrowings* secured by *unfunded commitments* (i.e. subscription lines of credit)?

☐ Yes

☐ No

Form PF Section 1c	Information about the <i>hedge funds</i> you advise (to be completed by all Form PF filers that advise <i>hedge funds</i>)

Section 1c: Information about the *hedge funds* you advise

You must complete a separate Section 1c for each *hedge fund* that you advise, except as provided by Instruction 6 and Instruction 7.

Item A. *Reporting fund* identifying information

24. (a) Name of the *reporting fund*

(b) *Private fund* identification number of the *reporting fund*

Item B. Certain information regarding the *reporting fund*

25. Indicate which of the investment strategies in the drop-down menu below best describe the *reporting fund's* strategies on the last day of the *reporting period*. For each strategy that you have selected, provide a good faith estimate of the percentage of the *reporting fund's* net asset value represented by that strategy. If, in your view, the *reporting fund's* allocation among strategies is appropriately represented by the percentage of deployed capital, you may also provide that information.

(Select the investment strategies that best describe the *reporting fund's* strategies, even if the descriptions below do not precisely match your characterization of those strategies; select "other" only if a strategy that the *reporting fund* uses is significantly different from any of the strategies identified below.)

(The strategies in the drop-down menu below are mutually exclusive (i.e., do not report the same assets under multiple strategies). The *reporting strategies* methodology used should be consistent over time. The numerator you use to determine the percentage of net asset value should be measured on the same basis as gross asset value. Your response to this question may total more than 100%. If providing percentages of capital, the total should add up to approximately 100%, and may total more than 100%.) (If you select "other" as an investment strategy for the *reporting fund*, describe in Question 4 the investment strategy, why it would not qualify for any of the other categories, and any other information to explain the selection "other." If a particular strategy could be classified as both a digital asset strategy and another strategy, report the strategy as the non-digital asset strategy.)

Strategy	% of NAV (required)	% of capital (optional)
[drop-down menu]		

26. Consolidated Counterparty Exposure Table

Report in the *consolidated counterparty exposure table* below the *reporting fund's* borrowing and collateral received (*B/CR*) and lending and posted collateral (*L/PC*) aggregated across all creditors and counterparties (including all *CCPs*) in U.S. dollars as of the end of the *reporting period*. (You are required to complete this question monthly if the *reporting fund* is a qualifying hedge fund that is required to complete *Section 2*).

You must net the *reporting fund's* exposure with each counterparty and among affiliated entities of a counterparty to the extent such exposures may be contractually or legally set-off or netted across those entities or one *affiliate* guarantees or may otherwise be obligated to satisfy the obligations of another under the agreements governing the transactions. Netting must be used to reflect net cash borrowed from or lent to a counterparty but must not be used to offset securities borrowed and lent against one another, when reporting prime brokerage and repo/reverse repo transactions.

Report the counterparty exposures of *trading vehicles* owned by the *reporting fund* based on the *reporting fund's* percentage ownership of each *trading vehicle*, without netting the *trading vehicle's* exposures with the *reporting fund's* exposures if they are not guaranteed by the *reporting fund* or contractual obligations of the *reporting fund*. If the *reporting fund* guarantees or is contractually obligated to fulfill obligations of such *trading vehicles* or affiliated *private funds*, such exposures must be reported net with those of the *reporting fund*. If an adviser to an affiliated *private fund* separately files Form PF, such adviser to the affiliated *private fund* must exclude such exposures if they have been reported in the *reporting fund's* filing.

In completing the table, classify *borrowing and collateral received* and *lending and posted collateral* according to type (e.g., *unsecured borrowing*, *secured borrowing*, derivatives cleared by a *CCP*, and uncleared derivatives) and the governing legal agreement (e.g., a prime brokerage or other brokerage agreement for cash margin and securities lending and borrowing, a global master repurchase agreement for *repo/reverse repo*, or an *ISDA* master agreement for *synthetic long positions*, *synthetic short positions*, and derivatives). Report transactions under a master securities loan agreement as other *secured borrowing*.

- ☐ Check this box if one or more prime brokerage agreements provide for cross-margining of derivatives and secured financing transactions. If you have checked this box, and collateral does not clearly pertain to secured financing vs. derivatives transactions, report exposures and collateral as follows:
- For secured financing, exposures and collateral should be reported in sections (b), (c) and (d), as applicable

• For derivatives,

○ Report the *gross notional value* and the mark-to-market exposure of the derivatives transactions with *other derivatives* transactions (lines (e)(i) or lines (f)(i) and (ii))

○ Report associated collateral as collateral received (*B/CR*) or posted collateral (*L/PC*) under the prime brokerage agreement (lines (b)(ii) and (iii)).

• For derivatives cleared by a *CCP*, for cases where the prime broker gathers additional collateral in excess of that required by exchanges, report collateral posted by the *reporting fund* to meet exchange requirements in the cleared derivatives section on lines (e)(ii) and (iii), and any additional collateral gathered by the prime broker under a cross margining agreement should appear on lines (b) (ii) and (iii).
Consolidated Counterparty Exposure Table	B/CR	L/PC

Consolidated Counterparty Exposure Table**B/CR****L/PC**

(a) <i>Unsecured borrowing – cash and cash equivalents</i>		Not Applicable
(b) <i>Secured borrowing and lending (prime brokerage or other brokerage agreement)</i>		
(i) <i>cash and cash equivalents</i> received in cash margin borrowing, or received or paid by the <i>reporting fund</i> in securities lending and short sale transactions		
(ii) <i>cash and cash equivalents</i> received or posted by the <i>reporting fund</i> as collateral for derivatives under any cross-margining agreement		
(iii) <i>government securities</i> and other securities received and posted by the <i>reporting fund</i>		
(c) <i>Secured borrowing and lending via repo and reverse repo (include tri-party repo)</i>		
(i) <i>cash and cash equivalents</i>		
(ii) <i>government securities</i> and other securities (other than <i>cash and cash equivalents</i>) received and posted by the <i>reporting fund</i>		
(d) <i>Other secured borrowing and lending (describe in Question 4)</i>		
(i) <i>cash and cash equivalents</i>		
(ii) <i>government securities</i> and other securities (other than <i>cash and cash equivalents</i>) received and posted by the <i>reporting fund</i>		
(e) <i>Derivative positions cleared by a CCP</i>		
(i) mark-to-market exposure of derivatives transactions before collateral		
(ii) <i>cash and cash equivalents</i> received and posted by the <i>reporting fund</i> as collateral		
(iii) <i>government securities</i> and other securities received and posted by the <i>reporting fund</i> as collateral		
(f) <i>Derivative positions that are not cleared by a CCP (uncleared)</i>		
(i) <i>gross notional value of synthetic long positions and synthetic short positions</i>		
(ii) mark-to-market exposure of derivatives transactions before collateral		
(iii) <i>cash and cash equivalents</i> received and posted by the <i>reporting fund</i> as collateral		
(iv) <i>government securities</i> and other securities received and posted by the <i>reporting fund</i> as collateral		

27. Identify each creditor or other counterparty (including *CCPs*) to which the *reporting fund* owed an amount in respect of *cash borrowing entries* (before posted collateral) which is equal to or greater than either (1) 5% of *net asset value* as of the *data reporting date*, or (2) \$1 billion. If there are more than five such counterparties, report the five counterparties to which the *reporting fund* owed the largest dollar amount in *cash borrowing entries* before taking into account collateral posted by the *reporting fund*. (You are not required to complete this question if the *reporting fund* is a qualifying hedge fund and you complete Question 42 in Section 2).

In the table below, report the legal entity name and *LEI* of each creditor or other counterparty, if it has one, in columns (i) and (ii). Indicate whether the creditor or counterparty is affiliated with a major financial institution in column (iii). If you select “other,” name and describe the financial institution in Question 4. Do not treat affiliated counterparty entities as a single group, except that, if the applicable contractual and legal documentation requires cross margining, report the legal entity name and *LEI* of the contractual counterparty, typically the prime broker.

Report the *reporting fund's cash borrowing entries* for each reported creditor or counterparty in column (iv) as a negative number. Report in column (v) the *collateral posted entries* posted by the *reporting fund* for each reported creditor or other counterparty as a positive number. Report the legal name in column (vi) and its *LEI*, if any, in column (vii), of the entity that has the counterparty exposure.

(i) Legal name of the counterparty	(ii) Counterparty <i>LEI</i> , if any	(iii) Indicate below if the counterparty is affiliated with a major financial institution	(iv) <i>Borrowing</i> by <i>reporting</i> <i>fund</i> (in U.S. dollars)	(v) Collateral posted by <i>reporting fund</i> (in U.S. dollars)	(vi) Legal name of entity	(vii) Entity <i>LEI</i> , if any
(a)		[drop-down list of counterparty names] Other: _____ [Not applicable]				
(b)		[drop-down list of counterparty names] Other: _____ [Not applicable]				
(c)		[drop-down list of counterparty names] Other: _____ [Not applicable]				
(d)		[drop-down list of counterparty names] Other: _____ [Not applicable]				
(e)		[drop-down list of counterparty names] Other: _____ [Not applicable]				

28. Provide the following information for counterparties to which the *reporting fund* had net mark to market counterparty credit exposure, **after** taking into account collateral received or posted by the *reporting fund*, which is equal to or greater than either (1) 5% of the *reporting fund's net asset value* as of the *data*

reporting date, or (2) \$1 billion. Include *CCPs* or other third parties holding collateral posted by the *reporting fund* in respect of cleared exposures (including tri-party repo). If there are more than five such counterparties, report the five to which the *reporting fund* had the greatest mark to market exposure after taking into account collateral. (You are not required to complete this question if the *reporting fund* is a qualifying hedge fund and you complete Question 43 in Section 2).

For counterparties to which the *reporting fund* had net borrowing exposure, the *reporting fund's* net mark to market counterparty credit exposure **before** collateral equals the *reporting fund's* cash borrowing entries. The *reporting fund's* net mark to market counterparty credit exposure **after** collateral is the amount (if any) by which the *reporting fund's* collateral posted entries exceed such cash borrowing entries.

For counterparties to which the *reporting fund* had net lending exposure, the *reporting fund's* net mark to market counterparty exposure **before** collateral means the cash lending entries.

The *reporting fund's* net mark to market counterparty credit exposure **after** collateral equals the amount (if any) by which the *reporting fund's* cash lending entries exceeds the collateral received entries.

For all counterparties (whether the *reporting fund* had borrowing or lending exposure), these computations will produce a positive value for the counterparties to which the *reporting fund* had net mark to market counterparty credit exposure **after** collateral. This may occur where the *reporting fund's* posted collateral exceeded borrowings by the *reporting fund* from a counterparty. It also may occur where collateral received by the *reporting fund* fell short of the *reporting fund's* net mark to market counterparty credit exposure through cash and cash equivalents received by a counterparty in margin borrowing, securities lending, repo and reverse repo transactions, and mark to market exposure in derivatives transactions.

Report the legal entity name and *LEI* of each creditor or other counterparty, if it has one, in column (i) and (ii) below. Indicate if the counterparty is affiliated with a major financial institution in column (iii). If you select "other," name and describe the financial institution in Question 4. In columns (iv) and (v), provide the *reporting fund's* net mark to market counterparty credit exposure, **before** taking into account collateral (which will be a negative number where the *reporting fund* is a net borrower, and a positive number where the *reporting fund* is a net lender), and net mark to market counterparty credit exposure, **after** taking into account collateral (which will always be a positive number for counterparties included in this table). Report the legal name in column (vi) and its *LEI*, if any, in column (vii), of the entity that has the counterparty exposure.

Do not treat affiliated counterparty entities as a single group, except that, if the applicable contractual and legal documentation requires cross margining, report the legal entity name and *LEI* of the contractual counterparty, typically the prime broker.

(i) Legal name of the counterparty	(ii) Counter- party <i>LEI</i> , if any	(iii) Indicate if the counterparty is affiliated with a major financial institution	(iv) Net mark to market exposure before collateral (in U.S. dollars)	(v) Net mark to market exposure after collateral (in U.S. dollars)	(vi) Legal name of entity	(vii) Entity <i>LEI</i> , if any
(a)		[drop-down list of counterparty names] Other: _____ [Not applicable]				

(b)		[drop-down list of counterparty names] Other: _____ [Not applicable]				
(c)		[drop-down list of counterparty names] Other: _____ [Not applicable]				
(d)		[drop-down list of counterparty names] Other: _____ [Not applicable]				
(e)		[drop-down list of counterparty names] Other: _____ [Not applicable]				

29. Provide the following information regarding your use of trading and clearing mechanisms during the reporting period.

(Provide good faith estimates of the mode in which each category was traded and cleared by the reporting fund, and not the market as a whole. For purposes of this question, a “trade” includes any transaction, whether entered into on a bilateral basis or through an exchange, trading facility or other system and whether long or short. With respect to clearing, transactions for which margin is held in a customer omnibus account at a CCP should be considered cleared by a CCP. Tri-party repo applies where repo/reverse repo collateral is executed using collateral management and settlement services of a third party that does not act as a CCP. Sponsored repo/reverse repo, including sponsored tri-party repo applies to transactions in which the reporting fund has been sponsored by a sponsoring member of the Fixed Income Clearing Corporation (FICC).)

(Enter “NA” in each part of this question for which the reporting fund engaged in no relevant trades.)

Value traded (in U.S. dollars)

(a) securities (other than derivatives) that were traded by the *reporting fund*.

On a regulated exchange

OTC

(b) *interest rate derivatives* that were traded by the *reporting fund*

On a regulated exchange or swap execution facility

OTC (and cleared by a CCP)

OTC/bilaterally transacted (and not cleared by a CCP)

(c) *derivatives* (other than *interest rate derivatives*) that were traded by the *reporting fund* and:

On a regulated exchange or swap execution facility

OTC (and cleared by a CCP)

OTC/bilaterally transacted (and not cleared by a CCP)

(d) *repo/reverse repo* trades that were entered into by the *reporting fund* and:

Cleared by a CCP (other than sponsored *repo/reverse repo*)

Cleared by a CCP (sponsored *repo/reverse repo*).

Bilaterally transacted (and not cleared by a CCP and not settled on *tri-party platform*)

Tri-party *repo/reverse repo* (and not cleared by a CCP)

30. For transactions of the *reporting fund* that are not described in any of the categories listed in items (a) through (d) of Question 29, provide the *value* traded (in U.S. dollars) during the *reporting period*, calculated according to the method prescribed in Question 29.....

Form PF Section 2	Information about <i>qualifying hedge funds</i> that you advise (to be completed by <i>large hedge fund advisers</i>)

Section 2: Information about *qualifying hedge funds* that you advise.

You must complete a separate Section 2 for each *qualifying hedge fund* that you advise, except as provided by Instruction 6.

Item A. Reporting fund identifying information

31. (a) Name of the *reporting fund*
 (b) *Private fund* identification number of the *reporting fund*

Item B. Reporting fund exposures and trading

 32. *Reporting fund* exposures.

For each month of the *reporting period*, report the information required by (a) to (c) below for the *reporting fund's* long and short positions, by *sub-asset class* (and *instrument type*, if applicable). Report the absolute value of short positions. You are not required to report for *sub-asset classes* for which there are no relevant positions.

For this question, *sub-asset classes* are: *listed equity* issued by financial institutions; American Depositary Receipts; other single name *listed equity*; indices on *listed equity*; other *listed equity*; *unlisted equity* issued by financial institutions; other *unlisted equity*; *investment grade corporate bonds* issued by financial institutions (other than *convertible bonds*); *investment grade corporate bonds* not issued by financial institutions (other than *convertible bonds*); *non-investment grade corporate bonds* issued by financial institutions (other than *convertible bonds*); *non-investment grade corporate bonds* not issued by financial institutions (other than *convertible bonds*); *investment grade convertible bonds* issued by financial institutions; *investment grade convertible bonds* not issued by financial institutions; *non-investment grade convertible bonds* issued by financial institutions; *non-investment grade convertible bonds* not issued by financial institutions; U.S. treasury bills; U.S. treasury notes and bonds; *agency securities*; *GSE bonds*; *sovereign bonds* issued by *G10* countries other than the U.S, other *sovereign bonds* (including supranational bonds); U.S. state and local bonds; *leveraged loans*; loans (excluding *leveraged loans* and *repo*); *overnight repo*, term *repo* (other than *overnight*); open *repo*; *MBS*; *ABCP*; *CDO* (senior or higher); *CDO* (mezzanine); *CDO* (junior equity); *CLO* (senior or higher); *CLO* (mezzanine); *CLO* (junior equity); *Other ABS*, other *structured products*; U.S. dollar interest rate derivatives; non-U.S. currency interest rate derivatives; *sovereign single name CDS*; financial institution *single name CDS*; other *single name CDS*; *index CDS*; *exotic CDS*; *foreign exchange derivatives*; *correlation derivatives*; *inflation derivatives*; *volatility derivatives*; *variance derivatives*; other derivatives, agricultural commodities; crude oil commodities; natural gas commodities; power and other energy commodities; gold commodities; other (non-gold) precious metal commodities; base metal commodities; other commodities; real estate; digital assets; U.S. currency holdings; non-U.S. currency holdings; certificates of deposit; other deposits; *money market funds*; other *cash and cash equivalents* (excluding bank deposits, certificates of deposit, *money market funds*, and U.S. treasury bills, notes and bonds); *investments in other sub-asset classes*. If a particular asset could be classified as both a digital asset and another asset, report the asset as the non-digital asset.

Choose the *sub-asset class* (and *instrument type*, if applicable) that describes the *sub-asset class* exposure and *instrument type* of the *reporting fund's* positions with the highest degree of precision. Include positions held in side-pockets as positions of the *reporting fund*. Include any closed out and *OTC* forward positions that have not yet expired/matured. Provide the absolute value of short positions. Report cash borrowed via *reverse repo* as the short value of *repos*. See definitions of *repo* and *reverse repo* in the Glossary.

- (a) (1) Except for the *sub-asset classes* identified by (a)(2) below, report the dollar value of long

positions and the dollar value of short positions in each *sub-asset class* by *instrument type*: For this purpose, *instrument types* are: cash/physical instruments, futures, forwards, swaps, listed options, unlisted options, *other derivative products*, *ETFs*, *other exchange traded products*, U.S. registered investment companies (excluding *ETFs* and *money market funds*), *investments in non-U.S. registered investment companies*, *internal private funds*, *external private funds*, *commodity pools*, and any other company, fund or entity. For *foreign exchange derivatives*, report foreign exchange swaps and currency swaps separately. In determining dollar value, do not net long and short positions within *sub-asset classes* or *instrument types* (with the exception of spot foreign exchange longs and shorts).

In determining the *reporting fund's* exposure to *sub-asset classes* that are held indirectly through entities, e.g., *ETFs*, *other exchange traded products*, U.S. registered investment companies (excluding *ETFs* and *money market funds*), *investments in non-U.S. registered investment companies*, *external private funds*, *internal private funds*, *commodity pools*, or other companies, funds or entities, you may allocate the entity's exposure among *sub-asset classes* and *instrument types* using reasonable estimates consistent with your internal methodologies and conventions of service providers.

(i) Long:

(ii) Short:

(2) Report the dollar value of long positions and the dollar value of short positions for the *sub-asset class* (not by *instrument type*) for these *sub-asset classes*: *leveraged loans*, *loans* (excluding *leveraged loans* and *repo*); *overnight repo*, *term repo* (other than *overnight*), *open repos*; *sovereign single name CDS*; *financial institution single name CDS*; *other single name CDS*; *index CDS*; *exotic CDS*; U.S. currency holdings, non-U.S. currency holdings, *certificates of deposit*, *other deposits*, *money market funds*, *other cash and cash equivalents* (excluding bank deposits, *certificates of deposit*, *money market funds*, and U.S. treasury bills, notes and bonds).

(i) Long:

(ii) Short:

Describe the nature of the *reporting fund's* investment positions in Question 4, if you report long or short dollar value equal to or exceeding either (1) 5% of the *reporting fund's* net asset value or (2) \$1 billion in any of these *sub-asset classes*: *loans* (excluding *leveraged loans* and *repo*), *other structured products*, *other derivatives*, *other commodities*, *digital assets*, *investments in other sub-asset classes*.)

(b) *Adjusted exposure* For each *sub-asset class* in which the *reporting fund* held relevant positions, calculate the *adjusted exposure* of long and short positions by netting positions in the same underlying *reference asset* across *instrument type*, and for fixed income assets, within the same term, using the following *maturity* buckets: 0-1 year, 1-2 year, 2-5 year, 5-10 year, 10-15 year, 15-20 year, and 20+ year. You may net consistent with the information you report internally and to current and prospective investors.

(i) Long:

(ii) Short:

(c) *Interest rate risk (10-year bond equivalent)*. For *sub-asset classes* with interest rate risk, report the *10-year bond equivalent* of the *sub-asset class* long position dollar value and short position dollar value (by *instrument type*, if applicable) and *adjusted exposure*. Report *10-year bond equivalent* as a long value for positions that have a gain when rates decline, and as a short value for positions that have a loss when rates decline,

(NOTE: *10-year bond equivalent* is required for these *sub-asset classes*: *investment grade corporate bonds* issued by financial institutions (other than *convertible bonds*); *investment grade corporate bonds* not issued by financial institutions (other than *convertible bonds*); *non-investment grade corporate bonds* issued by

financial institutions (other than convertible bonds); non-investment grade corporate bonds not issued by financial institutions (other than convertible bonds); investment grade convertible bonds issued by financial institutions; investment grade convertible bonds not issued by financial institutions; non-investment grade convertible bonds issued by financial institutions; non-investment grade convertible bonds not issued by financial institutions; U.S. treasury bills, U.S. treasury notes and bonds; U.S. agency securities; GSE bonds; sovereign bonds issued by G10 countries other than the U.S., other sovereign bonds (including supranational bonds); U.S. state and local bonds; leveraged loans, loans (excluding leveraged loans and repo); overnight repo, term repo (other than overnight), open repo, MBS, ABCP, Senior or higher CDO, Mezzanine CDO, Junior equity CDO, Senior or higher CLO, Mezzanine CLO, Junior equity CLO, Other ABS, other structured products; U.S. dollar interest rate derivatives, non-U.S. currency interest rate derivatives; certificates of deposit).

33. (a) For each month of the reporting period, report the long value and short value of the reporting fund's currency exposure arising from foreign exchange derivatives and all other assets and liabilities of the reporting fund that are denominated in a currency other than the reporting fund's base currency.

Currency	1 st Month		2 nd Month		3 rd Month	
	Long value	Short value	Long value	Short value	Long value	Short value
[drop-down of currencies]						
[drop-down of currencies]						

- (b) For each month of the reporting period, identify each currency to which the reporting fund has long dollar value or short dollar value exposure equal to or exceeding either (1) 5% of the reporting fund's net asset value or (2) \$1 billion and report the long dollar value and short dollar value of this exposure in U.S. dollars.

In responding to this question, include the spot currency exposure arising from all holdings, including assets denominated in foreign currencies, and derivative products with currency exposure. Include currency exposure obtained indirectly (e.g., through ETFs, exchange traded products, U.S. registered investment companies, non-U.S. registered investment companies, internal private funds, external private funds, commodity pools, or other companies, funds or entities). You may report reasonable estimates, if consistent with your internal methodologies and conventions of service providers. For indirectly held exposures, report currency exposures using reasonable estimates that are consistent with your internal methodologies and conventions of service providers.

Currency	1 st Month		2 nd Month		3 rd Month	
	Long value	Short value	Long value	Short value	Long value	Short value
[drop-down of currencies]						
[drop-down of currencies]						

34. Reserved

35. For each month of the reporting period, identify by ISO country code, each country to which the reporting fund has long dollar value or short dollar value exposure equal to or exceeding either (1) 5% of the reporting fund's net asset value or (2) \$1 billion., and report the long dollar value and short dollar value of this exposure in U.S. dollars.

Categorize investments based on concentrations of risk and economic exposures, and include country exposure obtained indirectly (e.g., through ETFs, exchange traded products, U.S. registered investment companies, non-U.S. registered investment companies, internal private funds, external private funds, commodity pools, or other companies, funds or entities). You may report reasonable estimates, if consistent with your internal methodologies and conventions of service providers. For indirectly held exposures, report country exposures using reasonable estimates that are consistent with your internal methodologies and conventions of service providers.

ISO Code	1 st Month		2 nd Month		3 rd Month	
	Long value	Short value	Long value	Short value	Long value	Short value
[drop-down of ISO Code]						
[drop-down of ISO Code]						

36. For each month of the reporting period, identify the reporting fund's exposure by industry, based on the NAICS codes of the underlying exposures, equal or exceeding either: (1) 5% of the reporting fund's net asset value or (2) \$1 billion, and report the long dollar value and short dollar value of this exposure in U.S. dollars.

Include industry exposure obtained indirectly (e.g., through ETFs, exchange traded products, U.S. registered investment companies, non-U.S. registered investment companies, internal private funds, external private funds, commodity pools, or other companies, funds or entities). You may respond to this Question using reasonable estimates based on your internal methodologies consistent with information you report internally and to investors. For indirectly held exposures, report industry exposures using reasonable estimates that are consistent with your internal methodologies and conventions of service providers. You may choose from the two, three, four, five, or six digit NAICS code in the drop-down for the underlying exposures.

NAICS Code	1 st Month		2 nd Month		3 rd Month	
	Long value	Short value	Long value	Short value	Long value	Short value
[drop-down of NAICS Code]						
[drop-down of NAICS Code]						

37. Provide the following information regarding the liquidity of the reporting fund's portfolio.

Specify the percentage by value of the reporting fund's positions that may be liquidated within each of the periods specified below. Each investment can be assigned to more than one period, but assignments should be based on the shortest period during which you believe that such position could reasonably be liquidated at or near its carrying value. If an investment is assigned to more than one period, reflect the percentage of net asset value that might be liquidated within each period (as opposed to the percentage of net asset value that the entire investment represents). Use good faith estimates for liquidity based on market conditions over the reporting period and assuming no fire-sale discounting. Estimates must be based on a methodology that takes into account changes in portfolio composition, position size and market conditions over time. For example, estimates would change if the portfolio invests in more or less liquid assets, if/when the portfolio investments grow to a size relatively to the liquidity of the markets in which it invests that requires more time to liquidate, and if liquidity characteristics change measurably and meaningfully for the assets in which the portfolio invests. In the event that individual positions are important contingent parts of the same trade, group all those positions under the liquidity period of the least liquid part (so, for example, in a convertible bond arbitrage trade, the liquidity of the short should be the same as the convertible bond). Include cash and cash equivalents.

(The total should add up to approximately 100%.)

	% of NAV		
	1 st Month	2 nd Month	3 rd Month
1 day or less			
2 days – 7 days.....			
8 days – 30 days.....			
31 days – 90 days.....			
91 days – 180 days.....			
181 days – 365 days.....			
Longer than 365 days.....			

38. Value of reporting fund's unencumbered cash

39. Reserved

40. Reserved

41. Reserved

42. Identify each creditor or other counterparty (including CCPs) to which the *reporting fund* owed an amount in respect of *borrowing entries* (before posted collateral) which is equal to or greater than either (1) 5% of *net asset value* as of the *data reporting date*, or (2) \$1 billion. In subsection (a), complete an *individual counterparty exposure table* for the five creditors and counterparties to which the *reporting fund* owed the greatest dollar amount in *borrowing entries* (before posted collateral). Follow the instructions for the *consolidated counterparty exposure table* in completing each *individual counterparty exposure table*.

Identify in subsection (b) all other creditors and counterparties (including CCPs) that were not the top five listed in the *individual counterparty exposure tables*, but to which the *reporting fund* owed an amount in respect of *borrowing entries* (before posted collateral) which is equal to or greater than either (1) 5% of the *reporting fund's net asset value* as of the *data reporting date*, or (2) \$1 billion.

For the entities identified in subsection (b), report the legal entity name and *LEI* of each creditor or other counterparty, if it has one, as indicated in subsections (a)(i) or in subsection (b) at columns (a) and (b). Indicate whether the creditor or counterparty is affiliated with a major financial institution in subsection (a)(i)(c) or in subsection (b) at column (c). If you select “other,” name and describe the financial institution in Question 4. You may not treat affiliated counterparty entities as a single group, except that, if the applicable contractual and legal documentation requires cross margining, report the legal entity name and *LEI* of the contractual counterparty, typically the prime broker.

For subsection (b), for each entity identified, report the *borrowing entries* as determined above in column (d) as a negative number and report total *collateral posted entries* by the *reporting fund* in column (e) as a positive number. Report the dollar amount of each type of borrowing in rows (d)(1) through (d)(6).

- (a) *Individual Counterparty Exposure Table - Top 5 Creditor Counterparties* [1, 2, 3, 4, 5]: (Because borrowing and cash lending should be netted for each counterparty, only one entry is required in each row of this table.)
- (i) (a) Legal name of counterparty,

- (b) Counterparty *LEI*, if any,
 (c) Indicate if affiliated with a major financial institution [drop-down menu],
 (d) Borrowing by the *reporting fund*,
 (e) Collateral posted by the *reporting fund*,
 (f) Legal name of entity that has the exposure, and
 (g) Entity *LEI*, if any

B/CR **L/PC**

(ii) <i>Unsecured borrowing – cash and cash equivalents</i>		NA

(iii) *Secured borrowing and lending (prime brokerage or other brokerage agreement)*

- ☐ Check this box if one or more prime brokerage agreements provide for cross-margining of derivatives and secured financing transactions. If you have checked this box, and collateral does not clearly pertain to secured financing vs. derivatives transactions, report exposures and collateral as follows:

- For secured financing, exposures and collateral should be reported in sections (iii), (iv) and (v), as applicable
- For derivatives,
 - Report the *gross notional value* and the mark-to-market of the derivatives transactions with *other derivatives* transactions (lines (vi)(A) and (vii)(A) and (B))
 - Report associated collateral as collateral received (*B/CR*) or posted collateral (*L/PC*) under the prime brokerage agreement (lines (iii)(B) and (C)).
- For derivatives cleared by a *CCP*, for cases where the prime broker gathers additional collateral in excess of that required by exchanges, report collateral posted by the *reporting fund* to meet exchange requirements in the cleared derivatives section on line (vi)(B) and (C), and enter any additional collateral gathered by the prime broker under a cross margining agreement on lines (iii)(B) and (C).

(A) <i>cash and cash equivalents</i> received in cash margin borrowing, or received or paid by the <i>reporting fund</i> in securities lending and short sale transactions		
(B) <i>cash and cash equivalents</i> received and posted by the <i>reporting fund</i> as collateral for derivatives under any cross-margining agreement		
(C) <i>government securities</i> and other securities received and posted by the <i>reporting fund</i>		

(iv) *Secured borrowing and lending via repo and reverse repo (include tri-party repo)*

(A) <i>cash and cash equivalents</i>		
(B) <i>government securities</i> and other securities (other than <i>cash and cash equivalents</i>) received and posted by the <i>reporting fund</i>		

(v) *Other secured borrowing and lending (describe in Question 4)*

(A) <i>cash and cash equivalents</i>		
(B) <i>government securities</i> and other securities (other than <i>cash and cash equivalents</i>) received and posted by the <i>reporting fund</i>		

(vi) *Derivative positions cleared by a CCP*

(A) mark-to-market exposure of derivatives transactions before collateral		

	B/CR	L/PC
(B) <i>cash and cash equivalents</i> received and posted by the <i>reporting fund</i> as collateral		
(C) <i>government securities</i> and other securities received and posted by the <i>reporting fund</i> as collateral		
(vii) Derivative positions that are not cleared by a <i>CCP</i> (uncleared)		
(A) <i>gross notional value of synthetic long positions and synthetic short positions</i>		
(B) mark-to-market exposure of derivatives transactions before collateral		
(C) <i>cash and cash equivalents</i> received and posted by the <i>reporting fund</i> as collateral		
(D) <i>government securities</i> and other securities received and posted by the <i>reporting fund</i> as collateral		

(b) Other Creditors and Counterparties

(a) Legal name of creditor or other counterparty	(b) Counterparty LEI, if any	(c) Indicate if creditor or other counterparty is affiliated with a major financial institution	(d) Borrowing by the reporting fund (in U.S. dollars)	(e) Collateral posted by the reporting fund (in U.S. dollars)	(f) Entity Legal Name	(g) Entity LEI, if any
(i)		[drop-down list of counterparty names] Other: [Not applicable]	(Total) \$			
			(d)(1) unsecured borrowing: \$			
			(d)(2) secured borrowing (prime brokerage or other brokerage agreement): \$			
			(d)(3) secured borrowing via <i>repo</i> and <i>reverse repo</i> (include tri-party <i>repo</i>): \$			
			(d)(4) other secured borrowing (describe in Question 4): \$			
			(d)(5) derivative positions cleared by a <i>CCP</i> : \$			
			(d)(6) derivative positions not cleared by a <i>CCP</i> (uncleared): \$			

(ii)						
(iii)						

43. Provide the information required by this question for counterparties to which the *reporting fund* had net mark to market counterparty credit exposure, **after** taking into account collateral received or posted by the *reporting fund*, which is equal to or greater than either (1) 5% of the *reporting fund's net asset value* as of the *data reporting date*, or (2) \$1 billion. Include CCPs or other third parties holding posted collateral of the *reporting fund* in respect of cleared exposures (including tri-party repo).

For counterparties to which the *reporting fund* had net borrowing exposure, the *reporting fund's* net mark to market counterparty credit exposure **before** collateral equals the *reporting fund's borrowing entries*. The *reporting fund's* net mark to market counterparty credit exposure **after** collateral is the amount (if any) by which the *collateral posted entries* exceed such *borrowing entries*.

For counterparties to which the *reporting fund* had net lending exposure, the *reporting fund's* net mark to market counterparty credit exposure **before** collateral means the *lending entries*. The *reporting fund's* net mark to market counterparty credit exposure **after** collateral equals the amount (if any) by which the *reporting fund's lending entries* exceed the *collateral received entries*.

For all counterparties (whether the *reporting fund* had borrowing or lending exposure), these computations will produce a positive value for the counterparties to which the *reporting fund* had net mark to market counterparty credit exposure **after** collateral. This may occur where the *reporting fund's* posted collateral exceeded *borrowings* by the *reporting fund* from a counterparty. It also may occur where collateral received by the *reporting fund* fell short of the *reporting fund's* net mark to market counterparty credit exposure through *cash and cash equivalents* received by a counterparty in margin borrowing, securities lending, *repo* and *reverse repo* transactions, and mark to market exposure in derivatives transactions.

Provide the information required by the *individual counterparty exposure table* at subsection (a) for the five counterparties to which the *reporting fund* had the greatest dollar net mark to market counterparty credit exposure **after** collateral. Do not report any counterparties that are reported in above in Question 42(a) and do not include counterparties to which the *reporting fund's* net mark to market counterparty exposure (after collateral) was not greater than either (1) 5% of the *reporting fund's net asset value* on the *data reporting date*, or (2) \$1 billion.

If there are more than five counterparties to which the *reporting fund* had net mark to market counterparty credit exposure **after** collateral which was equal to or greater than either (1) 5% of the *reporting fund's net asset value* as of the *data reporting date*, or (2) \$1 billion (and which are not reported in Question 42(a)), identify these additional counterparties in subsection (b). Report, for each such counterparty, the *reporting fund's* net mark to market counterparty credit exposure, **before** taking into account collateral (column (d)) which will be a negative number where the *reporting fund* is a net borrower, and a positive number where the *reporting fund* is a net lender, and net mark to market counterparty credit exposure, **after** taking into account collateral (column (e)), which will always be a positive number for any counterparties included in this table.

In the *individual counterparty exposure table*, report the legal entity name and *LEI* of each creditor or other counterparty, if it has one, as indicated in subsection (a)(i)(a) and (a) (i)(b) or in subsection (b), columns (a) and (b). Indicate in subsection (a)(i)(c) or subsection (b), column (c), if the counterparty is affiliated with a major financial institution. If you select "other," name and describe the financial institution in Question 4. Report the legal entity name and *LEI*, if any, of each entity that has the counterparty exposure in columns (f) and (g). You may not treat affiliated counterparty entities as a single group, except that, if the applicable contractual and legal documentation requires cross margining, report the legal entity name and *LEI* of the contractual counterparty, typically the prime broker.

(a) *Individual Counterparty Exposure Table* —Top “Debtor” Counterparties: (Complete the *Individual Counterparty Exposure Table* (see Q42(a)) for each of the top “debtor” counterparties.)

(b) Other Counterparties

(a) Legal name of counterparty	(b) Counterparty LEI, if any	(c) Indicate if counterparty is affiliated with a major financial institution	(d) Net mark to market exposure before collateral (in U.S. dollars)	(e) Net mark to market exposure after collateral (in U.S. dollars)	(f) Legal name of entity	(g) Entity LEI, if any
(i)		[drop-down list of counterparty names] Other: [Not applicable]				
(ii)		[drop-down list of counterparty names] Other: [Not applicable]				
(iii)		[drop-down list of counterparty names] Other: [Not applicable]				

44. Identify each CCP or other third party holding collateral posted by the *reporting fund* in respect of cleared exposures (including tri-party repo) equal to or exceeding either (1) 5% of the *reporting fund's net asset value* as of the *data reporting date* or (2) \$1 billion. (Exclude counterparties reported in Questions 42 and 43). If a different legal entity than the *reporting fund* owns the collateral, report the entity's legal name and its LEI, if any.

CCP or Third party legal name	LEI, if any	CCP/third party affiliation with a major financial institution (if any)	Posted Margin (in U.S. dollars)	Net Exposure (in U.S. dollars)	Legal name of entity	Entity LEI, if any
(a)		[drop-down list of counterparty names] Other: [Not applicable]				
(b)		[drop-down list of counterparty names] Other: [Not applicable]				
(c)		[drop-down list of counterparty names] Other: [Not applicable]				

45. Reserved

Item C. *Reporting fund* risk metrics and performance

46. (a) During the reporting period, did you regularly calculate the *VaR* of the reporting fund?
(Please respond without regard to whether you reported the result of this calculation internally or to investors.)

☐ Yes

☐ No

- (b) If you responded “yes” to Question 46(a), provide the following information.

(If you regularly calculate the *VaR* of the reporting fund using multiple combinations of confidence interval, horizon and historical observation period, complete a separate response to this Question 46(b) for each such combination.)

- (i) Confidence interval used (e.g., 100%-alpha%) (as a percentage)

- (ii) Time horizon used (in number of days)

- (iii) What weighting method was used to calculate *VaR*?

☐ None

☐ Exponential

☐ Other:

- (iv) If you responded “exponential” to Question 46(b)(iii), provide the weighting factor used (as a decimal to two places)

- (v) What method was used to calculate *VaR*?

☐ Historical simulation

☐ Monte Carlo simulation

☐ Parametric

☐ Other:

- (vi) Historical lookback period used (in number of years; enter “NA” if none used)

- (vii) *VaR* at the end of the 1st month of the reporting period (as a % of NAV)

- (viii) *VaR* at the end of the 2nd month of the reporting period (as a % of NAV)

- (ix) *VaR* at the end of the 3rd month of the reporting period (as a % of NAV)

47. For each of the market factors identified below, determine the effect of the specified changes on the reporting fund's portfolio and provide the results. Indicate a negative effect of the market factor change on the long and short components with a negative sign and a positive effect of the market factor change on the long and short components with a positive sign. For market factors that have no direct effect on the reporting fund's portfolio, enter zero.

In determining the reporting fund's exposure to changes in market factors held indirectly through entities, e.g., ETFs, other exchange traded products, U.S. registered investment companies (excluding ETFs and money market funds), investments in non-U.S. registered investment companies, external private funds, internal private funds, commodity pools, or other companies, funds or entities, you may use reasonable estimates consistent with your internal methodologies and conventions of service providers.

(For market factors involving interest rates and credit spreads, separate the effect on your portfolio into long and short components where (i) the long component represents the aggregate result of all positions whose valuation changes in the opposite direction from the market factor under a given stress scenario, and (ii) the short component represents the aggregate result of all positions whose valuation changes in the same direction as the market factor under a given stress scenario.) (For market factors other than interest rates and credit spreads, separate the effect on your portfolio into long and short components where (i) the long component represents the aggregate result of all positions whose valuation changes in the same direction as the market factor under a given stress

scenario and (ii) the short component represents the aggregate result of all positions whose valuation changes in the opposite direction from the market factor under a given stress scenario.)

(Assume that changes in a market factor occur instantaneously and that all other factors are held constant. If the specified change in any market factor would make that factor less than zero, use zero instead.)

(Please note the following regarding the market factors identified below:

(i) A change in “equity prices” means that the prices of all equities move up or down by the specified amount, without regard to whether the equities are listed on any exchange or included in any index;

(ii) “Risk free interest rates” means rates of interest accruing on sovereign bonds issued by governments having the highest credit quality, such as U.S. treasury securities; and interest rate swap rates in which a fixed rate is exchanged for a risk-free floating rate such as the secured overnight financing rate (SOFR) or the sterling overnight index average (SONIA);

(iii) “Non-parallel risk free interest rate movements” means only risk free interest rates in the indicated segment of the yield curve move, and no other rates, factors or prices move, and that all rates within the indicated segment of the yield curve move by the same amount. The sum of all reported non-parallel risk free interest rate sensitivities for a given rate movement should total to the portfolio’s sensitivity to a parallel risk free interest rate movement of that magnitude;

(iv) A change in “credit spreads” means that all spreads against risk free interest rates change by the specified amount;

(v) A change in “currency rates” means that the values of all currencies move up or down by the specified amount relative to the reporting fund’s base currency;

(vi) A change in “commodity prices” means that the prices of all physical commodities move up or down by the specified amount;

(vii) A change in “option implied volatilities” means that the implied volatilities of all the options that the reporting fund holds increase or decrease by the specified number of percentage points (additive, not multiplicative); and

(viii) A change in “default rates” means that the rate at which debtors default on all instruments of the specified type increases or decreases by the specified number of percentage points.)

Market factor – changes in market factor	Effect on long components of portfolio (as % of NAV)	Effect on short components of portfolio (as % of NAV)
Equity prices:		
Equity prices increase 10%		
Equity prices decrease 10%		
Non-parallel risk free interest rate movements:		
0-3 year rates only increase 50 bp		
0-3 year rates only decrease 50 bp		
>3-10 year rates only increase 50 bp		
>3-10 year rates only decrease 50 bp		
Only all >10 year rates increase 50 bp		
Only all >10 year rates decrease 50 bp		

Credit spreads:		
Credit spreads increase 100 <i>bp</i>		
Credit spreads decrease 100 <i>bp</i>		
Currency rates:		
Currency rates increase 10%		
Currency rates decrease 10%		
Commodity prices:		
Commodity prices increase 10%		
Commodity prices decrease 10%		
Option implied volatilities:		
Implied volatilities increase 10 percentage points		
Implied volatilities decrease 10 percentage points		
Default rates (<i>ABS</i>):		
Default rates increase 10 percentage points		
Default rates decrease 10 percentage points		
Default rates (<i>corporate bonds</i> and <i>CDS</i>):		
Default rates increase 10 percentage points		
Default rates decrease 10 percentage points		

48. Reserved

49. If you indicated more than one investment strategy for the *reporting fund* in Question 25 and you report performance results to current and prospective investors, counterparties, or otherwise, for one or more of the investment strategies reported in Question 25, report the gross performance results attributable to each such strategy during the *reporting period* in base currency terms.

You are required to provide monthly performance results only if such results are reported for the *reporting fund* (whether for purposes of reporting to current and prospective investors, counterparties, or otherwise). *You are not required to respond to this question if you report performance for the reporting fund as an internal rate of return.*

Investment Strategy	1st Month	2nd Month	3rd Month	Quarterly

Item D. Financing information

50. Financing liquidity:

(a) Provide the aggregate dollar amount of *borrowing* by and cash financing available to the *reporting fund* (including all drawn and undrawn, committed and uncommitted lines of credit as well as any term financing)

(b) Provide the dollar amount of financing that is available to the *reporting fund* but not used by type:

- (i) unsecured borrowing

(ii) secured borrowing via prime brokerage

(iii) secured borrowing via reverse repo

(iv) other secured borrowings
- | |
|--|
| |
| |
| |
- (c) Divide the amount reported in response to part (a) among the periods specified below depending on the longest period for which the creditor is contractually committed to provide such financing.

(If a creditor (or syndicate or administrative/collateral agent) is permitted to vary unilaterally the economic terms of the financing or to revalue posted collateral in its own discretion and demand additional collateral, then the financing should be deemed uncommitted for purposes of this question. Uncommitted financing should be included under “1 day or less.”)

(The total should add up to 100%.)

	% of total financing
1 day or less	
2 days – 7 days.....	
8 days – 30 days	
31 days – 90 days	
91 days – 180 days	
181 days – 365 days.....	
Longer than 365 days.....	

Item E. Investor information

51. (a) As of the data reporting date, what percentage of the reporting fund's net asset value, if any, is subject to a “side-pocket” arrangement?

(This question relates to whether assets are currently in a side-pocket and not the potential for assets to be moved to a side-pocket.)

(b) Have additional assets been placed in a side-pocket since the end of the prior reporting period?

(Check “NA” if you reported no assets under Question 51(a) in the current period and/or the prior period.)

☐ Yes

☐ No

☐ NA

52. Reserved

53. Investor liquidity (as a % of net asset value):

(Divide the reporting fund's net asset value among the periods specified below depending on the shortest period within which investors are entitled, under the fund documents, to withdraw invested funds or receive redemption payments, as applicable. Assume that you would impose gates where applicable but that you would not completely suspend withdrawals/redemptions and that there are no redemption fees. Please base on the notice period before the valuation date rather than the date proceeds would be paid to investors.)

(The total should add up to approximately 100%.)

(For Question 53, please note that the standards for imposing suspensions and restrictions on withdrawals/redemptions may vary among funds. Make a good faith determination of the provisions that would likely be triggered during conditions that you view as significant market stress.)

	% of NAV locked for
1 day or less	
2 days – 7 days.....	
8 days – 30 days	
31 days – 90 days	
91 days – 180 days	
181 days – 365 days.....	
longer than 365 days.....	

Form PF Section 3	Information about <i>liquidity funds</i> that you advise (to be completed by <i>large liquidity fund advisers</i>)

Section 3: Information about the *liquidity funds* that you advise

You must complete a separate Section 3 for each *liquidity fund* that you advise.

Item A. Reporting fund identifying and operational information

54.	(a) Name of the <i>reporting fund</i>	
	(b) <i>Private fund</i> identification number of the <i>reporting fund</i>	
55.	(a) Does the <i>reporting fund</i> seek to maintain a stable price per share?	
	☐ Yes ☐ No	
	(b) If yes, state the price the <i>reporting fund</i> seeks to maintain	

Item B. Reporting fund assets

56. Provide the following information for each month of the *reporting period*.

	1st Month	2nd Month	3rd Month
(a) Net asset value of <i>reporting fund</i> as reported to current and prospective investors			
(b) Net asset value per share of <i>reporting fund</i> as reported to current and prospective investors (<i>to the nearest hundredth of a cent</i>)			
(c) Net asset value per share of <i>reporting fund</i> (<i>to the nearest hundredth of a cent; exclude the value of any capital support agreement or similar arrangement</i>).....			
(d) <i>WAM</i> of <i>reporting fund</i> (in days)			
(e) <i>WAL</i> of <i>reporting fund</i> (in days)			
(f) 7-day gross yield of <i>reporting fund</i> (<i>to the nearest hundredth of one percent</i>)			
(g) Dollar amount of the <i>reporting fund's</i> assets that are <i>daily liquid assets</i>			
(h) Dollar amount of the <i>reporting fund's</i> assets that are <i>weekly liquid assets</i>			
(i) Dollar amount of the <i>reporting fund's</i> assets that have a <i>maturity</i> greater than 397 days			
(j) Amount of cash held by the <i>reporting fund</i>			
(k) Total gross subscriptions (including divided reinvestments)			
(l) Total gross redemptions			

Item C. Financing information

57.

- (a) Is the amount of total *borrowing* reported in response to Question 18 equal to or greater than 5% of the *reporting fund's net asset value*?

☐ Yes☐ No

- (b) If you responded “yes” to Question 57(a) above, divide the dollar amount of total *borrowing* reported in response to Question 18 among the periods specified below depending on the type of *borrowing*, the type of creditor and the latest date on which the *reporting fund* may repay the principal amount of the *borrowing* without defaulting or incurring penalties or additional fees.

(If a creditor (or syndicate or administrative/collateral agent) is permitted to vary unilaterally the economic terms of the financing or to revalue posted collateral in its own discretion and demand additional collateral, then the borrowing should be deemed to have a maturity of 1 day or less for purposes of this question. For amortizing loans, each amortization payment should be treated separately and grouped with other borrowings based on its payment date.)

(The total amount of borrowings reported below should equal approximately the total amount of borrowing reported in response to Question 18.)

	1 day or less	2 days to 7 days	8 days to 30 days	31 days to 397 days	Greater than 397 days
(i) <i>Unsecured borrowing</i>					
(A) <i>U.S. depository institutions</i>					
(B) <i>U.S. creditors that are not U.S. depository institutions</i>					
(C) <i>Non-U.S. creditors</i>					
(ii) <i>Secured borrowing</i>					
(A) <i>U.S. depository institutions</i>					
(B) <i>U.S. creditors that are not U.S. depository institutions</i>					
(C) <i>Non-U.S. creditors</i>					

58.

- (a) Does the *reporting fund* have in place one or more committed liquidity facilities?

☐ Yes☐ No

- (b) If you responded “yes” to Question 58(a), provide the aggregate dollar amount of commitments under the liquidity facilities

Item D. Investor information

59. Specify the number of outstanding shares or units of the *reporting fund's* stock or similar securities

60. Is the *reporting fund* established as a cash management vehicle for other funds or accounts that you or your *affiliates* manage that are not cash management vehicles?

☐ Yes ☐ No

61. Provide the following information regarding investor concentration.

(For purposes of this question, if you know that two or more beneficial owners of the *reporting fund* are affiliated with each other, you should treat them as a single beneficial owner.)

(a) Specify the percentage of the *reporting fund's* equity that is beneficially owned by the beneficial owner having the largest equity interest in the *reporting fund*

(b) For each investor that beneficially owns 5% or more of the *reporting fund's* equity, provide the following information. If you select “other” as an investor category, describe the investor in Question 4.

(i) Investor Category	(ii) Investor’s percent of equity of the <i>reporting fund</i> on the data reporting date
Drop-down menu of investor categories in Question 61]	
Drop-down menu of investor categories in Question 61]	
<i>Et cetera.</i>	

62. Provide a good faith estimate, as of the *data reporting date*, of the percentage of the *reporting fund's* outstanding equity that was purchased using *securities lending collateral*.

63. Provide the following information regarding the restrictions on withdrawals and redemptions by investors in the *reporting fund*.

(For Questions 63 and 64, please note that the standards for imposing suspensions and restrictions on withdrawals/redemptions may vary among funds. Make a good faith determination of the provisions that would likely be triggered during conditions that you view as significant market stress.)

As of the *data reporting date*, what percentage of the *reporting fund's net asset value*, if any:

- (a) May be subjected to a suspension of investor withdrawals/redemptions by an adviser or fund governing body (*this question relates to an adviser's or governing body's right to suspend and not just whether a suspension is currently effective*)
- (b) May be subjected to material restrictions on investor withdrawals/redemptions (e.g., "gates") by an adviser or fund governing body (*this question relates to an adviser's or governing body's right to impose a restriction and not just whether a restriction has been imposed*)
- (c) Is subject to a suspension of investor withdrawals/redemptions (*this question relates to whether a suspension is currently effective and not just an adviser's or governing body's right to suspend*)
- (d) Is subject to a material restriction on investor withdrawals/redemptions (e.g., a "gate") (*this question relates to whether a restriction has been imposed and not just an adviser's or governing body's right to impose a restriction*)

64. Investor liquidity (as a % of *net asset value*):

(Divide the *reporting fund's net asset value* among the periods specified below depending on the shortest period within which investors are entitled, under the fund documents, to withdraw invested funds or receive redemption payments, as applicable. Assume that you would impose gates where applicable but that you would not completely suspend withdrawals/redemptions and that there are no redemption fees. Please base on the notice period before the valuation date rather than the date proceeds would be paid to investors.

The total should add up to 100%.)

- 1 day or less
- 2 days – 7 days
- 8 days – 30 days
- 31 days – 90 days
- 91 days – 180 days
- 181 days – 365 days
- Longer than 365 days

% of NAV locked for

Item E. Portfolio Information

65. For each security held by the *reporting fund*, provide the following information for each month of the *reporting period*.

- (a) Name of the issuer or the name of counterparty in a *repo*
- (b) Title of the issue (including coupon, if applicable)
- (c) CUSIP
- (d) *LEI*, if any

- (c) In addition to CUSIP and LEI, provide at least one of the following other identifiers, if any:
- ISIN
 - CIK
 - Other unique identifier (indicate identifier and type of identifier)

- (f) The category of investment that most closely identifies the instrument:

(Select from among the following categories of investment: U.S. Treasury Debt; U.S. Government Agency Debt (if categorized as coupon-paying notes); U.S. Government Agency Debt (if categorized as no-coupon-discount notes); Non-U.S. Sovereign, Sub-Sovereign and Supra-National debt; Certificate of Deposit; Non-Negotiable Time Deposit; Variable Rate Demand Note; Other Municipal Security; Asset Backed Commercial Paper; Other Asset Backed Securities; U.S. Treasury Repo Agreement, if collateralized only by U.S. Treasuries (including Strips) and cash; U.S. Government Agency Repo Agreement, collateralized only by U.S. Government Agency securities, U.S. Treasuries, and cash; Other Repo Agreement, if any collateral falls outside Treasury, Government Agency and cash; Insurance Company Funding Agreement; Investment Company; Financial Company Commercial Paper; Non-Financial Company Commercial Paper; Tender Option Bond; or Other Instrument. If Other Instrument, include a brief description.)

- (g) For repos, specify whether the repo is “open” (i.e., the repo has no specified end date and, by its terms, will be extended or “rolled” each business day (or at another specified period) unless the investor chooses to terminate it), and provide the following information about the securities subject to the repo (i.e., the collateral):

(If multiple securities of an issuer are subject to the repo, the securities may be aggregated, in which case provide: (i) the total principal amount and value and (ii) the range of maturity dates and interest rates.)

- (i) Is the repo “open”? ☐ Yes ☐ No
- (ii) Is the repo centrally cleared? ☐ Yes ☐ No
- (iii) If the repo is centrally cleared, identify the CCP
- (iv) Is the repo settled on a tri-party platform? ☐ Yes ☐ No
- (v) Name of the collateral issuer
- (vi) CUSIP
- (vii) LEI, if any
- (viii) Maturity date
- (ix) Coupon or yield
- (x) The principal amount, to the nearest cent
- (xi) Value of the collateral, to the nearest cent
- (xii) The category of investment that most closely represents the collateral

(Select from among the following categories for the collateral: Asset-Backed Securities; Agency Collateralized Mortgage Obligations; Agency Debentures and Agency Strips; Agency Mortgage-Backed Securities; Private Label Collateralized Mortgage Obligations; Corporate Debt Securities; Equities; Money Market; U.S. Treasuries (including strips); Cash; Other Instrument. If Other Instrument, include a brief description, including, if applicable, whether it is a collateralized debt obligation, municipal debt, whole loan, or international debt).

- (h) If the rating assigned by a credit rating agency played a substantial role in the reporting fund’s (or its adviser’s) evaluation of the quality, maturity, or liquidity of the security, provide the name of each credit rating agency and the rating each assigned to the security.

- (i) The *maturity* date used to calculate *WAM*
- (j) The *maturity* date used to calculate *WAL*
- (k) The ultimate legal *maturity* date (*i.e.*, the date on which, in accordance with the terms of the security without regard to any interest rate readjustment or *demand feature*, the principal amount must unconditionally be paid)
- (l) If the security has a *demand feature* on which the *reporting fund* (or its adviser) is relying when evaluating the quality, *maturity*, or liquidity of the security, provide the following information:
(If the security does not have such a *demand feature*, enter "NA.")
 - (i) Identity of the *demand feature* issuer(s)
 - (ii) If the rating assigned by a *credit rating agency* played a substantial role in the *reporting fund's* (or its adviser's) evaluation of the quality, *maturity* or liquidity of the *demand feature*, its issuer, or the security to which it relates, provide the name of each *credit rating agency* and the rating assigned by each *credit rating agency*
 - (iii) The period remaining until the principal amount of the security may be recovered through the *demand feature*
 - (iv) The amount (*i.e.*, percentage) of fractional support provided by each *demand feature* issuer
 - (v) Whether the *demand feature* is a *conditional demand feature*
- (m) If the security has a *guarantee* (other than an unconditional letter of credit reported in response to Question 65(l) above) on which the *reporting fund* (or its adviser) is relying when evaluating the quality, *maturity*, or liquidity of the security, provide the following information:
(If the security does not have such a *guarantee*, enter "NA.")
 - (i) Identity of the *guarantor(s)*
 - (ii) If the rating assigned by a *credit rating agency* played a substantial role in the *reporting fund's* (or its adviser's) evaluation of the quality, *maturity* or liquidity of the *guarantee*, the *guarantor*, or the security to which the *guarantee* relates, provide the name of each *credit rating agency* and the rating assigned by each *credit rating agency*
 - (iii) The amount (*i.e.*, percentage) of fractional support provided by each *guarantor*.....
- (n) If the security has any enhancements, other than those identified in response to Questions 65(l) and (m) above, on which the *reporting fund* (or its adviser) is relying when evaluating the quality, *maturity*, or liquidity of the security, provide the following information:
(If the security does not have such an enhancement, enter "NA.")
 - (i) Identity of the enhancement provider(s)
 - (ii) The type of enhancement(s)
 - (iii) If the rating assigned by a *credit rating agency* played a substantial role in the *reporting fund's* (or its adviser's) evaluation of the quality, *maturity* or liquidity of the enhancement, its provider, or the security to which it relates, provide the name of each *credit rating agency* used and the rating assigned by the *credit rating agency*
 - (iv) The amount (*i.e.*, percentage) of fractional support provided by each enhancement provider
- (o) The yield of the security as of the reporting date:
- (p) The total *value* of the *reporting fund's* position in the security, and separately, if the *reporting fund* uses the amortized cost method of valuation, the amortized cost value, in both cases to the nearest cent:

- (i)

Including the value of any sponsor support
- (ii)

Excluding the value of any sponsor support
- (q)

The percentage of the *reporting fund's* net assets invested in the security, to the nearest hundredth of a percent
- (r)

Is the security categorized as a level 3 asset or liability in Question 20?
- (s)

Is the security a *daily liquid asset*?
- (t)

Is the security a *weekly liquid asset*?
- (u)

Is the security an *illiquid security*?
- (v)

Explanatory notes. Disclose any other information that may be material to other disclosures related to the portfolio security.
(If none, leave blank.)

Item F. Disposition of Portfolio Securities

66. Disclose the gross market value (to the nearest cent) of portfolio securities the *reporting fund* sold or disposed of during each month of the *reporting period* by category of investment. Do not include portfolio securities that the fund held until *maturity*.

Category of Investment	First Month	Second Month	Third Month
[Drop down menu of the category of investment]			
[Drop down menu of the category of investment]			
[Drop down menu of the category of investment]			

Category of Investment: *U.S. Treasury Debt; U.S. Government Agency Debt (if categorized as coupon-paying notes); U.S. Government Agency Debt (if categorized as no-coupon-discount notes); Non-U.S. Sovereign, Sub-Sovereign and Supra-National debt; Certificate of Deposit; Non-Negotiable Time Deposit; Variable Rate Demand Note; Other Municipal Security; Asset Backed Commercial Paper; Other Asset Backed Securities; U.S. Treasury Repo, if collateralized only by U.S. Treasuries (including Strips) and cash; U.S. Government Agency Repo, collateralized only by U.S. Government Agency securities, U.S. Treasuries, and cash; Other Repo, if any collateral falls outside Treasury, Government Agency and cash; Insurance Company Funding Agreement; Investment Company; Financial Company Commercial Paper; Non-Financial Company Commercial Paper; Tender Option Bond; or Other Instrument. If Other Instrument, include a brief description.*

Item G. Parallel Money Market Funds

67. If the *reporting fund* pursues substantially the same investment objective and strategy and invests side by side in substantially the same positions as a *money market fund* advised by you or any of your *related persons*, provide the *money market fund's* EDGAR series identifier
(If neither you nor any of your related persons advise such a money market fund, enter "NA.")

Form PF Section 4	Information about <i>private equity funds</i> that you advise (to be completed by <i>large private equity fund advisers</i>)

Section 4: – Information about *private equity funds* that you advise.

You must complete a separate Section 4 for each *private equity fund* that you advise.

Item A. *Reporting fund* identifying information

68. (a) Name of the *reporting fund*
- (b) *Private fund* identification number of the *reporting fund*

Item B. Certain information regarding the *reporting fund*

69. Indicate the investment strategy in the drop-down menu that best describe the *reporting fund's* investment strategy by percent of deployed capital, during the *reporting period*. If the *reporting fund* engages in more than one strategy, provide a good faith estimate of the percentage of the *reporting fund's* deployed capital represented by each strategy.

(Select the investment strategy or strategies that best describe the reporting fund's strategies, even if the categories below do not precisely match your characterization of the reporting fund's strategy. If you report all or part of the reporting fund's strategy as "Other", explain in Question 4. The strategies listed are mutually exclusive (i.e., do not report the same portion of deployed capital in multiple strategies). The total should add to 100%.)

Strategy	% of capital
[drop-down menu]	

70. Identify, by ISO country code, each country to which the *reporting fund's* investments in portfolio companies represent exposure of 10% or more of the *reporting fund's net asset value*.

(See Instruction 15 for information on calculating the numerator for purposes of this question. You should categorize investments based on concentrations of risk and economic exposures.)

Country	ISO code	% of NAV

Item C. Reporting fund and portfolio company financing;

71.

Provide the following information regarding the value of the reporting fund's borrowings and the types of creditors.

(Do not net out amounts that the reporting fund loans to creditors or the value of collateral pledged to creditors. The percentages borrowed from the specified types of creditors should add up to approximately 100%.)

(a)

Dollar amount of total borrowings.....

(b)

Percentage borrowed from U.S. financial institutions

(c)

Percentage borrowed from non-U.S. financial institutions

(d)

Percentage borrowed from U.S. creditors that are not financial institutions

(e)

Percentage borrowed from non-U.S. creditors that are not financial institutions

(f)

Does the reporting fund borrow or have the ability to borrow at the fund-level as an alternative or complement to financing of portfolio companies? If so, check "yes" and complete subsection (g) of this question. Otherwise, check "no"

☐ Yes

☐ No

(g)

For each type of borrowing or other cash financing available to the reporting fund, provide the total dollar amount available and the average amount borrowed over the reporting period.

Type of Financing

Total amount available (in dollars)

Average borrowed over the reporting period (in dollars)

☐

Credit secured by the investments of the reporting fund

☐

Credit secured by unfunded commitments

☐

Credit secured by a combination of unfunded commitments and investments of the reporting fund.

☐

Other (explain in Question 4)

72.

(a)

Do you or any of your related persons guarantee, or are you or any of your related persons otherwise obligated to satisfy, the obligations of any portfolio company in which the reporting fund invests?

(You are not required to respond "yes" simply because a portfolio company is a primary obligor and is also your related person.)

☐ Yes

☐ No

(b)

If you responded "yes" to Question 72(a) above, report the total dollar value of all such guarantees and other obligations

73.

(a)

What is the weighted average debt-to-equity ratio of the controlled portfolio companies in which the reporting fund invests (expressed as a decimal to the tenths place)?

(Weighting should be based on gross assets of each controlled portfolio company as a percentage of the aggregate gross assets of the reporting fund's controlled portfolio companies.)

(b)

What is the highest debt-to-equity ratio of any controlled portfolio company in

which the *reporting fund* invests (expressed as a decimal to the tenths place)?

74. What is the lowest debt-to-equity ratio of any *controlled portfolio company* in which the *reporting fund* invests (expressed as a decimal to the tenths place)?
75. What is the aggregate gross asset value of the *reporting fund's controlled portfolio companies*?.....
76. What is the aggregate principal amount of *borrowings* categorized as current liabilities on the most recent balance sheets of the *reporting fund's controlled portfolio companies*?.....
77. What is the aggregate principal amount of *borrowings* categorized as long-term liabilities on the most recent balance sheets of the *reporting fund's controlled portfolio companies*?.....
78. What percentage of the aggregate *borrowings* of the *reporting fund's controlled portfolio companies* is payment-in-kind (PIK) or zero-coupon debt?
79. During the *reporting period*, did the *reporting fund* or any of its *controlled portfolio companies* experience an event of default under any of its indentures, loan agreements or other instruments evidencing obligations for borrowed money? If so, check “yes” and complete subsections (a) of this question. Otherwise, check “no”.

(Do not include a potential event of default (i.e., an event that would constitute an event of default with the giving of notice, the passage of time or otherwise) unless it has become an event of default.)

☐ Yes ☐ No

(a) Identify the nature of the default event (check all that apply):

- ☐ Payment default of the *reporting fund*
- ☐ Payment default of a *controlled portfolio company*
- ☐ A default relating to a failure to uphold terms under the applicable borrowing agreement, other than a failure to make regularly scheduled payments.

80. (a) Does any *controlled portfolio company* of the *reporting fund* have in place one or more bridge loans or commitments (subject to customary conditions) for a bridge loan?

☐ Yes ☐ No

(b) If you responded “yes” to Question 80(a), identify each *person* that has provided all or part of any bridge loan or commitment to the relevant *controlled portfolio company*. For each such *person*, provide the applicable outstanding amount or commitment amount.

Legal Name of Counterparty	LEI, if any	Indicate below if the counterparty is affiliated with a major financial institution	Outstanding amount of financing, if drawn	Amount of commitment, if undrawn
[repeat drop-down list of creditor/counterparty names] Other:				

[repeat drop-down list of creditor/counterparty names] Other:				
[repeat drop-down list of creditor/counterparty names] Other:				

Item D. Portfolio company investment exposures

81. (a) Is any of the *reporting fund's controlled portfolio companies* a *financial industry portfolio company*?
☐ Yes ☐ No

(b) If you responded “yes” to Question 81(a), then for each of the *reporting fund's controlled portfolio companies* that constitutes a *financial industry portfolio company*, provide the following information.

Legal Name	Address of principal office (include city, state and country)	NAICS code	LEI, if any	Debt-to-equity ratio of portfolio company	Gross asset value of portfolio company	% of reporting fund's gross assets invested in this portfolio company	% of portfolio company beneficially owned by the reporting fund

82. Provide a breakdown of the *reporting fund's* investments in portfolio companies by industry, based on the *NAICS codes* of the companies.
(The total should add up to 100%.)

NAICS code	% of reporting fund's total portfolio company investment

83. If you or any of your *related persons* (other than the *reporting fund*) invest in any companies that are portfolio companies of the *reporting fund*, provide the aggregate dollar amount of these investments.

84. If the *reporting fund* effectuates (i) any *general partner clawback* or (ii) a *limited partner clawback or clawbacks* in excess of an aggregate amount equal to 10 percent of a fund's aggregate capital commitments, provide the following:

(a) Effective date:

(b) Type of clawback (General Partner/Limited Partner):

(c) Reason for clawback:

85. You may provide any information you believe would be helpful in understanding the information reported in response to any question in this Section 4 of this form. Identify the related question for each comment *(use a drop-down menu so that notes are received in a structured format)*.

Form PF Section 5	Current report for large hedge fund advisers to qualifying hedge funds

Section 5: Current report for large hedge fund advisers to qualifying hedge funds.

Upon the occurrence of any one or more of the events specified in Items B to I of this Section 5, you must file a current report responding to questions required by the applicable Item(s) (a “*current report*”) no later than 72 hours after such occurrence. The 72 hour period begins upon the occurrence of the event or when you reasonably believe the event occurred and you must respond to the best of your knowledge on the date of your *current report*. You may provide an additional explanation of the facts and circumstances relating to the event, including the causes and or proposed resolution in explanatory notes under Item J of this section 5.

In this Section 5, references to *most recent net asset value* mean the *net asset value* reported as of the *data reporting date*.

☐ Check here if you are filing an amendment to a previously filed *current report*. Provide the filing date of the *current report* you are amending [Drop-down list of Month, Day, Year, Time].

Item A: Information about you and the reporting fund

5-1 Provide your name and the other identifying information requested below.

(This should be your full legal name.)

Legal name	CRD Number	SEC 801-Number	NFA ID Number, if any	Large trader ID, if any	Large trader ID suffix, if any

5-2(a) Name of the <i>reporting fund</i>	
5-2(b) Private fund identification number of the <i>reporting fund</i>	
5-2(c) NFA identification number of the <i>reporting fund</i> , if applicable	
5-2(d) LEI of the <i>reporting fund</i> , if any	

5-3 Signatures of authorized representative (*see Instruction 11 to Form PF*)

I, the undersigned, sign this Section 5 on behalf of, and with the authority of, the *firm*. In addition, I sign this Section 5 on behalf of, and with the authority of, each of the *related persons* identified in Question 1(b) (other than any *related person* for which another individual has signed this Section 5 below).

Name of individual:	
Signature:	
Title	
Email address	
Telephone contact number (include area code and, if outside the United States, country code):	
Date	

Signature on behalf of *related persons*:

I, the undersigned, sign this Section 5 on behalf of, and with the authority of, the *related person(s)* identified below.

Name of each *related person* on behalf of which this individual is signing:

Name of individual:

Signature:

Title

Email address

Telephone contact number (include area code and, if outside the United States, country code):

Date

Item B. Extraordinary Investment Losses

If on any business day the 10-business-day *holding period return* of the *reporting fund* is less than or equal to -20%, provide the information required by Questions 5-4 to 5-7, below. (*Current reports should not be filed for overlapping 10-business-day periods.*)

5-4(a) Beginning date of the 10-business-day loss period:

5-4(b) End date of the 10-business-day loss period:

5-5 *Holding period return*:

5-6 *Dollar amount of loss over the 10-business-day loss period*:

5-7 Describe the largest exposure contributing to the reported loss.

Include the following:

- Dollar amount
- Sub-asset class
- Instrument type
- Title or description of the asset
- Issuer name
 - LEI (if any),
 - CUSIP (if any)
 - If no CUSIP, at least one of the following other identifiers:
 - ISIN
 - Ticker (if ISIN is not available)
 - Other unique identifier (please describe)

Item C. Margin, Collateral or Equivalent Increase

If the total dollar value of margin, collateral, or an equivalent posted by the *reporting fund* at the end of a rolling 10-business-day period less the total dollar value of margin, collateral, or an equivalent posted by the *reporting fund* at the beginning of the rolling 10-business-day period is greater than or equal to 20% of the *average daily reporting fund aggregate calculated value* during the period, provide the following information (if the total value of margin, collateral or an equivalent posted by the *reporting fund* continues to increase, do not file another *current report* until on or after the next 10-business-day period beginning after the end date stated at 5-9 below.):

5-8 Beginning date of the 10-business-day period during which the increase was measured:	
5-9 End date of the 10-business-day period during which the increase was measured:	
5-10 Provide the total dollar value amount of margin, collateral or an equivalent posted by the <i>reporting fund</i> at the beginning of the 10-business-day period during which the increase was measured:	
5-11 Provide the total dollar value amount of margin, collateral or an equivalent posted by the <i>reporting fund</i> at the end of the 10-business-day period during which the increase was measured:	
5-12 Provide the <i>average daily reporting fund aggregate calculated value</i> of the <i>reporting fund</i> during the 10-business-day period during which the increase was measured:	

5-13 Counterparty or counterparties requiring increased margin, collateral or equivalent. *(If multiple counterparties are involved list them in order of the dollar amount of cumulative increase required by each counterparty.)*

Legal name of the counterparty	Counterparty LEI, if any
(a)	
(b)	
(c)	

5-14 Check one or more of the following to describe your current understanding of circumstances relating to the margin increase(s) (check all that apply):

- The increase is a result of exchange or CCP requirements or known regulatory action affecting the counterparty.
- A counterparty or counterparties independently increased the *reporting fund's* margin, collateral or equivalent requirements.
- The *reporting fund* established a new relationship or new business with one or more counterparties.
- The increase is attributable to new investment positions, investment approach or strategy and/or portfolio turnover of the *reporting fund*.
- The increase is related to a deteriorating position or positions in the *reporting fund's* portfolio or other credit trigger under applicable counterparty agreements.
- Other (provide explanation in Item J).

Item D. Reserved

Item E. Counterparty Default

If a counterparty to the *reporting fund* (1) does not meet a call for margin, collateral or equivalent or fails to make any other payment, in the time and form contractually required (taking into account any contractually agreed cure period), and (2) the amount involved is greater than 5% of the *reporting fund aggregate calculated value*, provide the following information.

(If you make this determination for more than one counterparty on the same day, provide the information required by 5-19 to 5-21 for each counterparty affected.)

5-19 Date of default:

5-20 Dollar amount of default:

5-21 Counterparty:

Legal name of the counterparty

Counterparty *LEI*, if any

Item F. Prime Broker Relationship Terminated or Materially Restricted

If (1) a prime broker terminates or materially restricts its relationship with the *reporting fund*, in whole or in part, in markets where that prime broker continues to be active; or (2) the relationship between the prime broker and the *reporting fund* was terminated by either the *reporting fund* or the prime broker in the last 72 hours or less in accordance with the section 5 current reporting period, and a termination event was activated in the prime brokerage agreement or related agreements, within the last 12 months provide the following information below. (Termination events, as specified in the prime broker agreement or related agreements, that are isolated to the financial state, activities or other *conditions* solely of the prime broker should not be considered for the purposes of this question.)

5-22 Date of the termination or material restriction:

5-23 Date of the termination event(s) if different from date in 5-22:

5-24 Prime Broker:

Legal name of the prime broker

Prime broker *LEI*, if any

Note: If a prime broker changes the terms of its relationship with the *reporting fund* in a way that significantly limits the fund's ability to operate under the terms of the original agreement, or significantly impairs the fund's ability to trade, the adviser should consider it a "material restriction" that would require filing of this Item F.

Item G. Operations Event

In this Item G, an "*operations event*" means that the *reporting fund* or *private fund adviser* experiences a significant disruption or degradation of the *reporting fund's* operations necessary for the investment, trading, valuation, reporting, and risk management of the *reporting fund*, whether as a result of an event at a service provider to the *reporting fund*, the *reporting fund*, or the adviser.

If there is an *operations event*, provide the following:

5-25 Date of the *operations event*, or date on which you estimate the event first occurred:

5-26 Date *operations event* was discovered (discovery date may be same or different

than the date of the event reported in 5-25):

5-27 Check one or more of the following to describe your current understanding of circumstances relating to the *operations event* (check all that apply and provide supplementary information in Item J if desired):

- An *operations event* at a service provider to the *reporting fund* or the *private fund adviser* caused the *operations event* (in whole or in part) (if applicable, provide the following information).

(a) Legal Name of Service Provider:

(b) LEI, if any:

(c) Identify services provided by the third party (e.g., fund accounting, administration, subadviser, accounting, custodial, other):

[drop-down menu]
- An *operations event* that occurred internally at the *reporting fund* or *reporting fund adviser* or a *related person*.
- An *operations event* that occurred related to a natural disaster or other *force majeure* event not within the control of the *private fund adviser*.
- Other (provide explanation in Item J).

5-28 Has the adviser initiated a disaster recovery or business continuity plan relating to the *operations event* and the continued operation of the adviser or the *reporting fund*?

☐ Yes

☐ No

5-29 Check one or more of the following to describe your current understanding of the impact of the *operations event* on the normal operations of *reporting fund* (check all that apply):

- Disruption or degradation of trading of the *reporting fund's* portfolio assets
- Disruption or degradation of the valuation of the *reporting fund's* portfolio assets
- Disruption or degradation of your management of the *reporting fund's* investment risk
- Other (provide explanation in Item J).

If technical or other difficulties resulting from the *operations event* prevent you from timely filing a *current report*, you may file as soon as practicable provided that you explain the technical or other difficulty that prevented timely filing in Item J of the *current report*.

Item H. Withdrawals and Redemptions

If the *reporting fund* receives cumulative requests for withdrawals or redemptions from the *reporting fund* equal to or more than 50% of the *most recent net asset value* (after netting against subscriptions and other contributions from investors received and contractually committed), provide the following information:

5-30 Date on which the net withdrawals or redemption requests exceeded 50% of the *most recent net asset value*:

5-31 Net value of withdrawals or redemptions paid from the *reporting fund* between the last *data reporting date* and the date of this *current report*:

5-32 Percentage of fund's *most recent net asset value* for which withdrawals or redemptions have been requested:

5-33 Have you notified investors that the *reporting fund* will liquidate?

☐ Yes

☐ No

Item I. Suspension of Redemptions

If the *reporting fund* has suspended redemptions and the suspension lasts for more than 5 consecutive business days; provide the following information:

5-34 Date on which the *reporting fund* suspended redemptions:

5-35 Percentage of fund's *most recent net asset value* for which redemptions have been requested on the date of this *current report*:

5-36 Have you notified investors that the *reporting fund* will liquidate?

☐

Yes

☐

No

Item J. Explanatory Notes

You may provide any information you believe would be helpful in understanding the information reported in response to any Item in this Section 5 of this form. Identify the related question for each comment (*use a drop-down menu so that notes are received in a structured format*).

**Form PF
Section 6**

Request for temporary hardship exemption
(to be completed by *private fund advisers* requesting exemption)

Section 6: Request for temporary hardship exemption

You must complete Section 6 if you are requesting a temporary hardship exemption pursuant to *SEC* rule 204(b)-1(f).

A. For which type of Form PF filing are you requesting a temporary hardship exemption?

1. If you are not a *large hedge fund adviser* or *large liquidity fund adviser*:

- ☐ Initial filing
☐ Annual update
☐ Final filing

2. If you are a *large hedge fund adviser* or *large liquidity fund adviser*:

- ☐ Initial filing
☐ Quarterly update
☐ Filing to transition to annual reporting
☐ Final filing

B. Provide the following information regarding your request for a temporary hardship exemption (attach a separate page if additional space is needed).

1. Describe the nature and extent of the temporary technical difficulties when you attempt to submit the filing to the Form PF filing system on the IARD:

2. Describe the extent to which you previously have submitted documents in electronic format with the same hardware and software that you are unable to use to submit this filing:

3. Describe the burden and expense of employing alternative means (e.g., a service provider) to submit the filing in electronic format in a timely manner:

4. Provide any other reasons that a temporary hardship exemption is warranted:

Form PF: Glossary of Terms

GLOSSARY OF TERMS

<i>7-day gross yield</i>	Based on the 7 days ended on the <i>data reporting date</i> , calculate the <i>liquidity fund's</i> yield by determining the net change, exclusive of capital changes and income other than investment income, in the value of a hypothetical pre-existing account having a balance of one share at the beginning of the period and dividing the difference by the value of the account at the beginning of the base period to obtain the base period return, and then multiplying the base period return by (365/7) with the resulting yield figure carried to the nearest hundredth of one percent. The <i>7-day gross yield</i> should not reflect a deduction of shareholders fees and fund operating expenses.
<i>10-year bond equivalent</i>	For interest rate sensitive positions, the equivalent position in a 10-year zero coupon bond, expressed in U.S. dollars.
<i>ABCP</i>	Asset backed commercial paper, including (but not limited to) structured investment vehicles, single-seller conduits and multi-seller conduit programs. <u>Do not</u> include any positions held via <i>CDS</i> (these should be recorded in the <i>CDS</i> category).
<i>ABS</i>	Securities derived from the pooling and repackaging of cash flow producing financial assets.
<i>Adjusted exposure</i>	The <i>value</i> of positions after netting as specified by instructions to Question 32.
<i>Advisers Act</i>	U.S. Investment Advisers Act of 1940, as amended.
<i>Affiliate</i>	With respect to any <i>person</i> , any other <i>person</i> that directly or indirectly <i>controls</i> , is <i>controlled</i> by or is under common <i>control</i> with such person. The term <i>affiliated</i> means that two or more <i>persons</i> are <i>affiliates</i> .
<i>Agency securities</i>	Any security issued by a <i>person</i> controlled or supervised by and acting as an instrumentality of the government of the United States pursuant to authority granted by the Congress of the United States and guaranteed as to principal or interest by the United States. Include bond derivatives and positions held

	indirectly through another entity (e.g., through an <i>ETF, exchange traded product, U.S. registered investment companies, non-U.S. registered investment companies, internal private fund or external private fund, commodity pool, or other company, fund or entity</i>), subject to Instructions 7 and 8.
<i>AIF</i>	An alternative investment fund that is not regulated under the UCITS Directive, as defined in the Directive of the European Parliament and of the Council on alternative investment fund managers (No. 2011/61/EU), as amended, or an alternative investment fund that is captured by the Alternative Investment Fund Managers (Amendment etc.) (EU Exit) Regulations 2019, as amended.
<i>Annual update</i>	An update of this Form PF with respect to any fiscal year.
<i>Average daily reporting fund aggregate calculated value</i>	The average of the <i>daily reporting fund aggregate calculated value</i> for the end of the business day on business days one through ten of the reporting period.
<i>Borrowing and collateral received ("B/CR")</i>	The mark-to-market value, as of the <i>data reporting date</i> , of the following: (i) <i>cash and cash equivalents</i> received as <i>borrowing</i> , (ii) <i>securities borrowed</i> or received by the <i>reporting fund</i> (include securities borrowed in connection with short sales, securities lending and <i>repo</i>), (iii) collateral posted by a counterparty to the <i>reporting fund's</i> account, (iv) negative mark-to-market value of derivatives (from the <i>reporting fund's</i> point of view), and (v) the <i>gross notional value</i> of <i>synthetic long positions</i> .
<i>Borrowing entries</i>	For Question 26, the sum of all amounts attributable to an individual counterparty in column B/CR of the <i>reporting fund's consolidated counterparty exposure table</i> .
<i>Borrowings</i>	<i>Secured borrowings</i> and <i>unsecured borrowings</i> , collectively. <i>Borrowings</i> by a <i>reporting fund</i> include, but are not limited to (i) <i>cash and cash equivalents</i> received with an obligation to repay; (ii) securities lending transactions (count <i>cash and cash equivalents</i> and securities received by the <i>reporting fund</i> in the transaction, including securities borrowed by the <i>reporting fund</i> for short sales); (iii) <i>repo</i> or <i>reverse repo</i> (count <i>cash and cash equivalents</i> and securities received by the <i>reporting fund</i>); (iv) negative mark-to-market of derivative transactions from the <i>reporting fund's</i>

point of view; and (v) the *gross notional value of synthetic long positions*.

bp

Basis points.

Cash and cash equivalents

Cash (including U.S. and non-U.S. currencies) and cash equivalents. For purposes of this definition, cash equivalents are:

- (i) bank deposits, certificates of deposit, bankers acceptances and similar bank instruments held for investment purposes;
- (ii) the net cash surrender value of an insurance policy; or
- (iii) investments in *money market funds*.

Do not include any digital asset in *cash and cash equivalents*.

Cash borrowing entries

For Questions 26, the sum of amounts attributable to an individual counterparty included in the entries on the following lines of the *reporting fund's consolidated counterparty exposure table*:

- (a) *unsecured borrowing – cash and cash equivalents*,
- (b)(i) *cash and cash equivalents* received by the *reporting fund* in margin loans and securities lending transactions,
- (c)(i) *cash and cash equivalents* received by the *reporting fund* related to *repo* and *reverse repo* (include tri-party repo),
- (d)(i) *cash and cash equivalents* received by the *reporting fund* related to other *secured borrowing*,
- (e)(i) — negative mark to market exposure of derivative positions cleared by a *CCP* and
- (f)(i) and (ii) *gross notional value of synthetic long positions* and negative mark to market exposure of uncleared derivative positions (not cleared by a *CCP*).

Cash lending entries

For Questions 26, the sum of amounts attributable to an individual counterparty included in the entries on the following lines of the *reporting fund's consolidated counterparty exposure table*:

- (b)(i) — *cash and cash equivalents* posted by *reporting fund* to the counterparty in margin borrowing and securities lending transactions,
- (c)(i) — *cash and cash equivalents* posted by the *reporting fund* relating to *repo* and *reverse repo* (include tri-party repo),
- (d)(i) — *cash and cash equivalents* posted by the *reporting fund* relating to other *secured borrowing*,
- (e)(i) — positive mark to market exposure in derivative positions cleared by a *CCP*, and

	(f)(i) and (ii) – <i>gross notional value</i> of <i>synthetic short positions</i> and positive mark to market exposure in uncleared derivative positions (not cleared by a <i>CCP</i>).
<i>CCP</i>	Central clearing counterparties (or central clearing houses) (for example, CME Clearing, The Depository Trust & Clearing Corporation, Fedwire and LCH Clearnet Limited).
<i>CDO</i>	Collateralized debt obligations (including cash flow and synthetic). <u>Do not</u> include any positions held via <i>CDS</i> (these should be recorded in the <i>CDS</i> category).
<i>CDS</i>	Credit default swaps, including any <i>LCDS</i> .
<i>CEA</i>	U.S. Commodity Exchange Act, as amended.
<i>CFTC</i>	U.S. Commodity Futures Trading Commission.
<i>CLO</i>	Collateralized loan obligations (including cash flow and synthetic) other than <i>MBS</i> . <u>Do not</u> include any positions held via <i>CDS</i> (these should be recorded in the <i>CDS</i> category).
<i>Closed-end private fund</i>	Any <i>private fund</i> that only issues securities, the terms of which do not provide a holder with any right, except in extraordinary circumstances, to withdraw, redeem, or require the repurchase of such securities, but which may entitle holders to receive distributions made to all holders <i>pro rata</i> .

Collateral posted entries

For Questions 27, 28, 42 and 43, the sum of amounts attributable to an individual counterparty included in the entries on the following lines of the *reporting fund's consolidated counterparty exposure table*:

- (b)(ii) - *cash and cash equivalents* posted by the *reporting fund* as collateral for derivatives under a cross-margining agreement;
- (b)(iii) - *government securities* and other securities posted by the *reporting fund* to the counterparty in margin borrowing, securities lending transactions, and as margin for derivatives under any cross-margining agreement;
- (c)(ii) - *government securities* and other securities (other than *cash and cash equivalents*) posted by the *reporting fund* relating to *repo* and *reverse repo* (include tri-party repo),
- (d)(ii) - *government securities* and other securities (other than *cash and cash equivalents*) posted by the *reporting fund* relating to other secured borrowing,
- (e)(ii) and (iii) - *cash and cash equivalents*, *government securities* and other securities posted by the *reporting fund* as collateral relating to derivative positions cleared by a CCP and
- (f)(iii) and (iv) - *cash and cash equivalents*, *government securities* and other securities posted by the *reporting fund* as collateral relating to uncleared derivative positions (not cleared by a CCP).

Collateral received entries

For Question 28 and 43, the sum of amounts attributable to an individual counterparty included in the entries on the following lines of the *reporting fund's consolidated counterparty exposure table*:

- (b)(ii) — *cash and cash equivalents* received by the *reporting fund* as collateral for derivatives under any cross-margining agreement,
- (b)(iii) — *government securities* and other securities received by the *reporting fund* in cash margin borrowing and securities lending transactions,
- (c)(ii) — *government securities* and other securities (other than *cash and cash equivalents*) received by the *reporting fund* related to *repo* and *reverse repo* (include tri-party repo),
- (d)(ii) — *government securities* and other securities (other than *cash and cash equivalents*) received related to other secured borrowing,
- (e)(ii) and (iii) — *cash and cash equivalents*, *government securities* and other securities received as collateral in derivative positions cleared by a CCP and
- (f)(iii) and (iv) — *cash and cash equivalents*,

	<i>government securities</i> and other securities received as collateral in uncleared derivative positions (not cleared by a <i>CCP</i>).
<i>Combined money market and liquidity fund assets under management</i>	With respect to any adviser, the sum of: (i) such adviser's <i>liquidity fund assets under management</i> ; and (ii) such adviser's <i>regulatory assets under management</i> that are attributable to <i>money market funds</i> that it advises.
<i>Committed capital</i>	Any commitment pursuant to which a <i>person</i> is obligated to acquire an interest in, or make capital contributions to, the <i>private fund</i> .
<i>Commodities</i>	Has the meaning provided in the <i>CEA</i>. For questions regarding <i>commodities</i>, provide the <i>value</i> of all exposure to <i>commodities</i> that you hold physically, synthetically or through derivatives (whether cash or physically settled), or indirectly through another entity (e.g., through an <i>ETF</i>, <i>exchange traded product</i>, U.S. registered investment companies, <i>non-U.S. registered investment companies</i>, <i>internal private fund</i> or <i>external private fund</i>, <i>commodity pool</i>, or other company, fund or entity), subject to Instructions 7 and 8.
<i>Commodity pool</i>	A "commodity pool," as defined in section 1a(10) of the <i>CEA</i> .
<i>Conditional demand feature</i>	Has the meaning provided in <i>rule 2a-7</i> .
<i>Consolidated counterparty exposure table</i>	For hedge funds, including <i>qualifying hedge funds</i> , the Section 1c table (at Question 26) that collects the <i>reporting fund's borrowing and collateral received and lending and posted collateral</i> aggregated across all creditors and counterparties as of the end of the <i>reporting period</i> .
<i>Control</i>	Has the meaning provided in <i>Form ADV</i> . The term <i>controlled</i> has a corresponding meaning.
<i>Controlled portfolio company</i>	With respect to any <i>private equity fund</i> , a portfolio company that is <i>controlled</i> by the <i>private equity fund</i> , either alone or together with the <i>private equity fund's affiliates</i> or other persons that are, as of the <i>data reporting date</i> , part of a club or consortium including the <i>private equity fund</i> .
<i>Convertible bonds</i>	Convertible <i>corporate bonds</i> (not yet converted into shares or cash).

	Include bond derivatives, but <u>do not</u> include any positions held via <i>CDS</i> (these should be recorded in the <i>CDS</i> category). Include positions held indirectly through another entity (e.g., through an <i>ETF</i> , <i>exchange traded product</i> , U.S. registered investment companies, <i>non-U.S. registered investment companies</i> , <i>internal private fund</i> or <i>external private fund</i> , <i>commodity pool</i> , or other company, fund or entity), subject to Instructions 7 and 8.
<i>Corporate bonds</i>	Bonds, debentures, and notes, including commercial paper, issued by corporations and other non-governmental entities. <u>Do not</u> include preferred equities. Include bond derivatives, but <u>do not</u> include any positions held via <i>CDS</i> (these should be recorded in the <i>CDS</i> category). Include positions held indirectly through another entity (e.g., through an <i>ETF</i> , <i>exchange traded product</i> , U.S. registered investment companies, <i>non-U.S. registered investment companies</i> , <i>internal private fund</i> or <i>external private fund</i> , <i>commodity pool</i> , or other company, fund or entity), subject to Instructions 7 and 8.
<i>Correlation derivative</i>	A derivative transaction for which the underlying asset is the correlation between the price or rate movements of two instruments.
<i>CPO</i>	A “commodity pool operator,” as defined in section 1a(11) of the <i>CEA</i> .
<i>Credit rating agency</i>	Any nationally recognized statistical rating organizations, as that term is defined in section 3(a)(62) of the Securities Exchange Act of 1934.
<i>CTA</i>	A “commodity trading advisor,” as defined in section 1a(12) of the <i>CEA</i> .
<i>Current report</i>	A <i>current report</i> provided pursuant to the items listed in Section 5 of Form PF.
<i>Current reporting event</i>	Any event that triggers the requirement to complete and file a <i>current report</i> pursuant to the items in Section 5 of Form PF.
<i>Daily liquid assets</i>	Has the meaning provided in <i>rule 2a-7</i> .
<i>Daily rate-of-return</i>	Is the percentage change in the <i>reporting fund aggregate calculated value</i> from one day to the next and adjusted for subscriptions and redemptions, if necessary.
<i>Data reporting date</i>	If you are a <i>large hedge fund adviser</i> or a <i>large</i>

	<i>liquidity fund adviser</i> responding to Items on this Form PF relating to any <i>hedge fund</i> or <i>liquidity fund</i>, the <i>data reporting date</i> is the last calendar day of the most recently completed calendar quarter for all Items on Form PF relating to such <i>hedge funds</i> and <i>liquidity funds</i>. If you are filing an initial filing or <i>annual update</i> for any other <i>private fund</i>, the <i>data reporting date</i> is the last calendar day of your most recently completed fiscal year.
<i>Demand feature</i>	Has the meaning provided in <i>rule 2a-7</i> .
<i>Dependent parallel managed account</i>	With respect to any <i>private fund</i> , any related <i>parallel managed account</i> <u>other than</u> a <i>parallel managed account</i> that individually (or together with other <i>parallel managed accounts</i> that pursue substantially the same investment objective and strategy and invest side by side in substantially the same positions) has a <i>gross asset value</i> greater than the <i>gross asset value</i> of such <i>private fund</i> (or, if such <i>private fund</i> is a <i>parallel fund</i> , the <i>gross asset value</i> of the <i>parallel fund structure</i> of which it is a part).
<i>Dollar amount of loss over the 10-business-day period</i>	Is equal to the <i>reporting fund aggregate calculated value</i> at the end of the 10-business-day loss period less the <i>reporting fund aggregate calculated value</i> at the beginning of the 10-business day loss period less the net of any subscriptions or redemptions during the 10-business-day period.
<i>ETF</i>	Exchange-traded fund.
<i>Exchange traded products</i>	An investment traded on a stock exchange that invests in underlying securities or assets, such as an <i>ETF</i> or exchange traded note.
<i>Exempt reporting adviser</i>	Has the meaning provided in <i>Form ADV</i> .
<i>Exotic CDS</i>	<i>CDSs</i> referencing bespoke baskets or tranches of <i>CDOs</i> , <i>CLOs</i> , and other structured investment vehicles, including credit default tranches.
<i>External private funds</i>	<i>Private funds</i> that neither you nor your <i>related persons</i> advise.
<i>Feeder fund</i>	See <i>master-feeder arrangement</i> .
<i>Financial industry portfolio company</i>	Any of the following: (i) a nonbank financial company, as defined in the Financial Stability Act of 2010; or (ii) any bank, savings association, bank holding company, financial holding company, savings and loan holding company, credit union or

	other similar company regulated by a Federal, state, or foreign banking regulator, including the Federal Deposit Insurance Corporation, the Board of Governors of the Federal Reserve System, the Office of the Comptroller of the Currency, the National Credit Union Administration or the Farm Credit Administration.
<i>Firm</i>	The <i>private fund adviser</i> completing or amending this Form PF.
<i>Foreign exchange derivative</i>	Any derivative whose underlying asset is a currency other than the base currency of the <i>reporting fund</i> or is an exchange rate. Cross-currency interest rate swaps and currency forwards should be included in <i>foreign exchange derivatives</i> and excluded from <i>interest rate derivatives</i> . If one leg of the <i>foreign exchange derivative</i> is the base currency of the <i>private fund</i> , only the foreign currency side of the transaction should be counted. If neither leg of the <i>foreign exchange derivative</i> is in the base currency, both legs should be counted.
<i>Form ADV</i>	Form ADV, as promulgated and amended by the SEC.
<i>Form ADV Section 7.B.1</i>	Section 7.B.1 of Schedule D to <i>Form ADV</i> .
<i>General partner clawback</i>	Any obligation of the general partner, its related persons, or their respective owners or interest holders to restore or otherwise return <i>performance-based compensation</i> to the fund pursuant to the fund's governing agreements.
<i>General partner stakes investing</i>	An investment strategy that acquires non-controlling interests in alternative investment managers and other entities that provide advisory services to, or receive compensation from, private funds.
<i>G10</i>	The Group of Ten. If the composition of the <i>G10</i> has changed after the effective date of this Form PF, use the current composition of the <i>G10</i> .
<i>Government entity</i>	Has the meaning provided in <i>Form ADV</i> .
<i>Government securities</i>	Arc: (i) <i>U.S. treasury securities</i> ; (ii) <i>agency securities</i> ; and (iii) any certificate of deposit for any of the foregoing.
<i>Gross asset value</i>	Value of gross assets, calculated in accordance with Part 1A, Instruction 6.e(3) of <i>Form ADV</i> .

<i>Gross exposure</i>	The sum of the absolute value of all of the <i>reporting fund's</i> long and short positions with legal and contractual rights to a <i>reference asset</i> .
<i>Gross notional value</i>	The nominal or notional value of all transactions that have been entered into but not yet settled as of the <i>data reporting date</i> . For contracts with variable nominal or notional principal amounts, the basis for reporting is the nominal or notional principal amounts as of the <i>data reporting date</i> computed as the number of shares or units of the underlying <i>reference asset</i> times current price on the <i>data reporting date</i> .
<i>Gross reporting fund aggregate calculated value</i>	The sum of the absolute value of every position in the <i>reporting fund's</i> portfolio, including <i>cash and cash equivalents</i> , short positions, and any fund-level borrowing, with the most recent price or value applied to the position for purposes of managing the investment portfolio. Where one or more portfolio positions are valued less frequently than daily, the last price used should be carried forward, though a current foreign exchange rate may be applied if the position is not valued in U.S. dollars. It is not necessary to adjust the <i>gross reporting fund aggregate calculated value</i> for accrued fees or expenses. <i>Gross reporting fund aggregate calculated values</i> do not need to be subjected to fair valuation procedures. The inclusion of income accruals is recommended but not required; however, the approach should be consistent over time. The <i>gross reporting fund aggregate calculated value</i> may be calculated using the adviser's own internal methodologies and conventions of the adviser's service providers, provided that these are consistent with information reported internally. <i>But see reporting fund aggregate calculated value</i> .
<i>GSE bonds</i>	Notes, bonds, and debentures issued by private entities sponsored by the U.S. federal government but not guaranteed as to principal and interest by the U.S. federal government. Include GSE <i>MBS</i> . Include bond derivatives, but <u>do not</u> include any positions held via <i>CDS</i> (these should be recorded in the <i>CDS</i> category). Include positions held indirectly through another entity (e.g., through an <i>ETF</i> , <i>exchange traded product</i> , U.S. registered investment companies, <i>non-U.S. registered investment companies</i> , <i>internal private fund</i> or <i>external private fund</i> , <i>commodity pool</i> , or other company, fund, or entity), subject to Instructions 7 and 8.

<i>Guarantee</i>	For purposes of Question 65, has the meaning provided in paragraph (a)(16)(i) of <i>rule 2a-7</i> .
<i>Guarantor</i>	For purposes of Question 65, the provider of any <i>guarantee</i> .
<i>Hedge fund</i>	Any <i>private fund</i> (other than a <i>securitized asset fund</i>): (a) with respect to which one or more investment advisers (or related persons of investment advisers) may be paid a performance fee or allocation calculated by taking into account unrealized gains (other than a fee or allocation the calculation of which may take into account unrealized gains solely for the purpose of reducing such fee or allocation to reflect net unrealized losses); (b) that may borrow an amount in excess of one-half of its <i>net asset value</i> (including any <i>committed capital</i>) or may have gross notional exposure in excess of twice its <i>net asset value</i> (including any <i>committed capital</i>); or (c) that may sell securities or other assets short or enter into similar transactions (other than for the purpose of hedging currency exposure or managing duration). Solely for purposes of this Form PF, any commodity pool about which you are reporting or required to report on Form PF is categorized as a hedge fund. For purposes of this definition, do not net long and short positions. Include any <i>borrowings</i> or notional exposure of another person that are guaranteed by the private fund or that the private fund may otherwise be obligated to satisfy.
<i>Hedge fund assets under management</i>	With respect to any adviser, <i>hedge fund assets under management</i> are the portion of such adviser's <i>regulatory assets under management</i> that are attributable to <i>hedge funds</i> that it advises.
<i>Holding period return</i>	Means the cumulative <i>daily rate-of-return</i> over the holding period calculated by geometrically linking the <i>daily rates-of-return</i> . Holding period return (%) = $((1 + R_1) \times (1 + R_2) \dots (1 + R_{10}) - 1) \times 100$ where $R_1, R_2 \dots R_{10}$ are the <i>daily rates-of-return</i> during the holding period expressed as decimals.
<i>Illiquid security</i>	Has the meaning provided in <i>rule 2a-7</i> .
<i>Index CDS</i>	<i>CDSs</i> referencing a standardized basket of credit entities, including <i>CDS</i> indices and indices referencing <i>leveraged loans</i> .

<i>Individual counterparty exposure table</i>	The tables at Questions 42 and 43 that collect the <i>reporting fund's borrowing and collateral received and lending and posted collateral</i> for each identified creditors and other counterparties as of the end of the <i>reporting period</i> .
<i>Inflation derivative</i>	A derivative transaction for which the underlying asset is the rate of inflation in a given country, or the price or yield of inflation-linked debt securities.
<i>Instrument type</i>	The instrument types specified by Question 32.
<i>Interest rate derivative</i>	Any derivative whose underlying asset is the obligation to pay or the right to receive a given amount of money accruing interest at a given rate. Cross-currency interest rate swaps should be included in <i>foreign exchange derivatives</i> and excluded from <i>interest rate derivatives</i> . This information must be presented in terms of the <i>10-year bond equivalents</i> .
<i>Internal private funds</i>	<i>Private funds</i> that you or any of your <i>related persons</i> advise.
<i>Internal rate of return</i>	The discount rate that causes the net present value of all cash flows throughout the life of the fund to be equal to zero. <i>But see, rate of return.</i>
<i>Investment grade</i>	A security is <i>investment grade</i> if it is sufficiently liquid that it can be sold at or near its carrying value within a reasonably short period of time and is subject to no greater than moderate credit risk.
<i>Investments in non-U.S. registered investment companies</i>	Investments in investment companies (other than <i>private funds, money market funds, and ETFs</i>) organized outside the U.S. and not registered as investment companies under the Investment Company Act of 1940.
<i>Investments in other sub-asset classes</i>	Any investment not included in another <i>sub-asset class</i> .
<i>ISDA</i>	International Swaps and Derivatives Association
<i>Large hedge fund adviser</i>	Any <i>private fund adviser</i> that is required to file Section 2 of Form PF for a <i>qualifying hedge fund</i> . See Instruction 3 to determine whether you are required to file this section.
<i>Large liquidity fund adviser</i>	Any <i>private fund adviser</i> that is required to file Section 3 of Form PF. See Instruction 3 to determine whether you are required to file this section.

<i>Large private equity fund adviser</i>	Any <i>private fund adviser</i> that is required to file Section 4 of Form PF. See Instruction 3 to determine whether you are required to file this section.
<i>Large private fund adviser</i>	Any <i>large hedge fund adviser</i>, <i>large liquidity fund adviser</i>, or <i>large private equity fund adviser</i>.
<i>LCDS</i>	Loan credit default swaps.
<i>LEI</i>	With respect to any company, the “legal entity identifier” assigned by or on behalf of an internationally recognized standards setting body and required for reporting purposes by the U.S. Department of the Treasury’s Office of Financial Research or a financial regulator. Do not substitute any other identifier that does not meet this definition.
<i>Lending and posted collateral (L/PC)</i>	The mark-to-market value, as of the <i>data reporting date</i>, of the following: (i) <i>cash and cash equivalents</i> received by a counterparty from the <i>reporting fund</i> with the obligation to repay (exclude portfolio investments), (ii) securities borrowed or received by a counterparty in a <i>reverse repo</i> or securities lending transaction, (iii) collateral posted by the <i>reporting fund</i> to a counterparty, (iv) positive mark-to-market value of derivatives (from the <i>reporting fund</i>’s point of view), and (v) <i>gross notional value</i> of <i>synthetic short positions</i>. Do not include in lending and posted collateral any portfolio holdings or transactions for investment purposes, such as debt or equity securities issued by a counterparty, or the credit exposure of the <i>reporting fund</i> obtained by making secured or unsecured loans or similar transactions as part of the <i>reporting fund</i>’s investment strategy. For example, in the case of an option on a debt security, report counterparty credit exposure in respect of the positive or negative mark-to-market value of the option and associated posted collateral; do not report the credit risk of the underlying debt security.
<i>Lending entries</i>	For Question 26, the sum of all amounts attributable to an individual counterparty in column L/PC of the <i>reporting fund</i>’s <i>consolidated counterparty exposure table</i>.
<i>Leveraged loans</i>	Loans that are made to entities whose senior unsecured long term indebtedness is <i>non-investment grade</i>. This may include loans made in

	connection with the financing structure of a leveraged buyout.
	Do not include any positions held via <i>LCDS</i> (these should be recorded in the <i>CDS</i> category). Include positions held indirectly through another entity (e.g., through an <i>ETF</i> , <i>exchange traded product</i> , U.S. registered investment companies, <i>non-U.S. registered investment companies</i> , <i>internal private fund</i> or <i>external private fund</i> , commodity pool, or other company, fund or entity), subject to Instructions 7 and 8.
<i>Limited partner clawback</i>	An obligation of a fund's investors to return all or any portion of a distribution made by the fund to satisfy a liability, obligation, or expense of the fund pursuant to the fund's governing agreements.
<i>Liquidity fund</i>	Any private fund that seeks to generate income by investing in a portfolio of short term obligations in order to maintain a stable <i>net asset value</i> per unit or minimize principal volatility for investors.
<i>Liquidity fund assets under management</i>	With respect to any adviser, <i>liquidity fund assets under management</i> are the portion of such adviser's <i>regulatory assets under management</i> that are attributable to <i>liquidity funds</i> it advises (including <i>liquidity funds</i> that are also <i>hedge funds</i>).
<i>Listed equity</i>	Equities, including preferred equities, listed on a regulated exchange. Include synthetic or derivative exposures to equities. Include positions held indirectly through another entity (e.g., through an <i>ETF</i> , <i>exchange traded product</i> , U.S. registered investment companies, <i>non-U.S. registered investment companies</i> , <i>internal private fund</i> or <i>external private fund</i> , commodity pool, or other company, fund, or entity), subject to Instructions 7 and 8.
<i>Listed equity derivatives</i>	All synthetic or derivative exposures to equities, including preferred equities, listed on a regulated exchange. Include e.g., single stock futures, equity index futures, derivatives relating to ADRs, and <i>other derivatives</i> relating to indices on <i>listed equities</i> , dividend swaps, total return swaps (contracts for difference), warrants, and rights.
<i>Master-feeder arrangement</i>	An arrangement in which one or more funds (" <i>feeder funds</i> ") invest all or substantially all of their assets in a single <i>private fund</i> (" <i>master</i>

	<i>fund</i> ”). A fund would also be a <i>feeder fund</i> investing in a <i>master fund</i> for purposes of this definition if it issued multiple classes (or series) of shares or interests and each class (or series) invests substantially all of its assets in a single <i>master fund</i> .
<i>Master fund</i>	See <i>master-feeder arrangement</i> .
<i>Maturity</i>	The maturity of the relevant asset, determined without reference to the maturity shortening provisions contained in paragraph (i) of <i>rule 2a-7</i> regarding interest rate readjustments.
<i>MBS</i>	Mortgage backed securities, including residential, commercial and agency. <u>Do not</u> include any positions held via <i>CDS</i> (these should be recorded in the <i>CDS</i> category).
<i>Money market fund</i>	Has the meaning provided in <i>rule 2a-7</i> .
<i>Most recent net asset value</i>	The <i>net asset value</i> reported as of the <i>data reporting date</i> at the end of the <i>reporting fund</i> ’s most recent <i>reporting period</i> .
<i>NAICS code</i>	With respect to any company, unless otherwise specifically indicated, the six-digit North American Industry Classification System code that best describes the company’s primary business activity and principal source of revenue. If the company reports a business activity code to the U.S. Internal Revenue Service, you may rely on that code for this purpose.
<i>Net assets under management</i>	<i>Net assets under management</i> are your <i>regulatory assets under management</i> minus any outstanding indebtedness or other accrued but unpaid liabilities.
<i>Net asset value</i> or <i>NAV</i>	With respect to any <i>reporting fund</i> , the gross assets reported in response to Question 11 minus any outstanding indebtedness or other accrued but unpaid liabilities.
<i>NFA</i>	The National Futures Association.
<i>Non-investment grade</i>	A security is <i>non-investment grade</i> if it is not an <i>investment grade security</i> .
<i>Non-U.S. financial institution</i>	Any of the following: (i) a financial institution chartered outside the United States; (ii) a financial institution that is separately incorporated or otherwise organized outside the United States but has a parent that is a financial institution chartered

	in the United States; or (iii) a branch or agency that resides in the United States but has a parent that is a financial institution chartered outside the United States.
<i>Open-end private fund</i>	Any <i>private fund</i> that offers redemption rights to its investors in the ordinary course, which may be paid in cash or in kind, irrespective of redemption frequency or notice periods and without regard to any suspensions, gates, lock-ups, or side pockets that may be employed by the fund.
<i>Operations event</i>	Has the meaning provided in Section 5.
<i>OTC</i>	With respect to any instrument, the trading of that instrument over the counter.
<i>Other ABS</i>	<i>ABS</i> products that are not covered by another <i>sub-asset class</i> .
<i>Other commodities</i>	<i>Commodities</i> other than agriculture, base metals, crude oil, natural gas, gold, other (non-gold) precious metals, and power and other energy commodities. For questions regarding <i>other commodities</i> , provide the <i>value</i> of all exposure to <i>other commodities</i> that you hold physically, synthetically or through derivatives (whether cash or physically settled), and positions held indirectly through another entity (e.g., through an <i>ETF</i> , <i>exchange traded product</i> , U.S. registered investment companies, <i>non-U.S. registered investment companies</i> , <i>internal private fund</i> or <i>external private fund</i> , <i>commodity pool</i> , or other company, fund, or entity), subject to Instructions 7 and 8.
<i>Other derivatives</i>	Any derivative not included as another <i>instrument type</i> or <i>sub-asset class</i> .
<i>Other private fund</i>	Any <i>private fund</i> that is not a <i>hedge fund</i> , <i>liquidity fund</i> , <i>private equity fund</i> , <i>real estate fund</i> , <i>securitized asset fund</i> or <i>venture capital fund</i> .
<i>Other structured products</i>	Any <i>structured products</i> not included in another <i>sub-asset class</i> . <u>Do not</u> include any positions held via <i>CDS</i> (these should be recorded in the <i>CDS</i> category).
<i>Parallel fund</i>	See <i>parallel fund structure</i> .
<i>Parallel fund structure</i>	A structure in which one or more <i>private funds</i> (each, a “ <i>parallel fund</i> ”) pursues substantially the same investment objective and strategy and invests

	side by side in substantially the same positions as another <i>private fund</i> .
<i>Parallel managed account</i>	With respect to any <i>private fund</i> , a <i>parallel managed account</i> is any managed account or other pool of assets that you advise and that pursues substantially the same investment objective and strategy and invests side by side in substantially the same positions as the identified <i>private fund</i> .
<i>Performance-based compensation</i>	Allocations, payments, or distributions of capital based on the <i>reporting fund's</i> (or any of its investments') capital gains, capital appreciation and/or other profit.
<i>Person</i>	Has the meaning provided in <i>Form ADV</i> .
<i>Position calculated value</i>	The value of a portfolio position using the most recent price or value available for purposes of managing the investment portfolio. Where a given position is valued less frequently than daily, the last price used should be carried forward, though a current foreign exchange rate may be applied if the position is not valued in the <i>reporting fund's</i> base currency. <i>Position calculated values</i> do not need to be subjected to fair valuation procedures. The <i>position calculated value</i> may be calculated using the adviser's own internal methodologies and conventions of the adviser's service providers, provided that these are consistent with information reported internally.
<i>Principal office and place of business</i>	Has the meaning provided in <i>Form ADV</i> .
<i>Private equity fund</i>	Any <i>private fund</i> that is not a <i>hedge fund</i> , <i>liquidity fund</i> , <i>real estate fund</i> , <i>securitized asset fund</i> or <i>venture capital fund</i> and does not provide investors with redemption rights in the ordinary course.
<i>Private equity fund assets under management</i>	With respect to any adviser, <i>private equity fund assets under management</i> are the portion of such adviser's <i>regulatory assets under management</i> that are attributable to <i>private equity funds</i> it advises.
<i>Private fund</i>	Any issuer that would be an investment company as defined in section 3 of the Investment Company Act of 1940 but for section 3(c)(1) or 3(c)(7) of that Act. If any <i>private fund</i> has issued two or more series (or classes) of equity interests whose values are determined with respect to separate portfolios of securities and other assets, then each such series (or class) should be regarded as a separate <i>private fund</i>. This only applies with respect to series (or classes) that you manage as if they were separate

	funds and not a fund's side pockets or similar arrangements.
<i>Private fund adviser</i>	Any investment adviser that (i) is registered or required to register with the <i>SEC</i> (including any investment adviser that is also registered or required to register with the <i>CFTC</i> as a <i>CPO</i> or <i>CTA</i>) and (ii) advises one or more <i>private funds</i> .
<i>Private fund assets under management</i>	With respect to any adviser, <i>private fund assets under management</i> are the portion of such adviser's <i>regulatory assets under management</i> that are attributable to <i>private funds</i> it advises.
<i>Qualifying hedge fund</i>	Any <i>hedge fund</i> that has a <i>net asset value</i> (individually or in combination with any <i>feeder funds</i> , <i>parallel funds</i> and/or <i>dependent parallel managed accounts</i>) of at least \$500 million as of the last day of any month in the fiscal quarter immediately preceding your most recently completed fiscal quarter.
<i>Quarterly update</i>	An update of this Form PF with respect to any calendar quarter.
<i>Rate of return</i>	For a <i>reporting fund</i> , the <i>rate of return</i> is the percentage change in the <i>net asset value</i> (or, when a <i>net asset value</i> is not available, in the <i>reporting fund aggregate calculated value</i>) in the <i>reporting fund's</i> base currency from one date to another and adjusted for subscriptions and redemptions. For a portfolio position, the <i>rate of return</i> is the percentage change in the <i>position calculated value</i> , adjusted for income earned and for changes in the quantity held resulting from activity, such as purchases, sales, or splits. <i>But see, internal rate of return.</i>
<i>Real estate fund</i>	Any <i>private fund</i> that is not a <i>hedge fund</i> , that does not provide investors with redemption rights in the ordinary course and that invests primarily in real estate and real estate related assets.
<i>Reference asset</i>	A security or other investment asset to which the <i>reporting fund</i> is exposed (e.g., through direct ownership (<i>i.e.</i> , a physical or cash position), synthetically (<i>i.e.</i> , the subject of a derivative or similar instrument held by the <i>reporting fund</i>), or indirect ownership (e.g., through <i>ETFs</i> , other <i>exchange traded products</i> , U.S. registered investment companies, <i>non-U.S. registered investment companies</i> , <i>internal private funds</i> , <i>external private funds</i> , <i>commodity pools</i> , or other companies, fund or entities)). In the case of futures contracts permitting multiple deliverable

assets, the *reference asset* should be the then-current cheapest to deliver instrument. You may identify the *reporting fund's reference assets* according to your internal methodologies and the conventions of service providers, provided that these methodologies and conventions are consistently applied and reported information is consistent with information you report internally and to investors and counterparties.

Regulatory assets under management

Regulatory assets under management, calculated in accordance with Part 1A, Instruction 5.b of *Form ADV*.

Related person

Has the meaning provided in *Form ADV*.

Repo

Any purchase of securities coupled with an agreement to sell the same (or similar) securities at a later date at an agreed upon price (*i.e.*, a “securities in” transaction).

Do not include any positions held via *CDS* (these should be recorded in the *CDS* category).

Reporting fund

A *private fund* as to which you must report information on Form PF.

Typically, each *private fund* is a *reporting fund*.

<i>Reporting fund aggregate calculated value</i>	Every position in the <i>reporting fund's</i> portfolio, including <i>cash and cash equivalents</i> , short positions, and any fund-level borrowing, with the most recent price or value applied to the position for purposes of managing the investment portfolio. <i>The reporting fund aggregate calculated value</i> is a signed value where all position values are summed. Where one or more portfolio positions are valued less frequently than daily, the last price used should be carried forward, though a current foreign exchange rate may be applied if the position is not valued in U.S. dollars. It is not necessary to adjust the <i>reporting fund aggregate calculated value</i> for accrued fees or expenses. <i>Reporting fund aggregate calculated value</i> does not need to be subjected to fair valuation procedures. The inclusion of income accruals is recommended but not required; however, the approach should be consistent over time. The <i>reporting fund aggregate calculated value</i> may be calculated using the adviser's own internal methodologies and conventions of the adviser's service providers, provided that these are consistent with information reported internally. <i>But see gross reporting fund aggregate calculated value.</i>
<i>Reporting period</i>	With respect to an <i>annual update</i> , the twelve month period ending on the <i>data reporting date</i> . With respect to a <i>quarterly update</i> , the three month period ending on the <i>data reporting date</i> .
<i>Reverse repo</i>	Any sale of securities coupled with an agreement to repurchase the same (or similar) securities at a later date at an agreed upon price (<i>i.e.</i> , a "securities out" transaction).
<i>RSSD ID</i>	The identifier assigned by the National Information Center of the Board of Governors of the Federal Reserve System, if any.
<i>Rule 2a-7</i>	Rule 2a-7 promulgated by the <i>SEC</i> under the Investment Company Act of 1940.
<i>SEC</i>	U.S. Securities and Exchange Commission.
<i>Secured borrowing</i>	Obligations for borrowed money in respect of which the borrower has posted collateral or other credit support. For purposes of this definition, <i>reverse repos</i> are <i>secured borrowings</i> .
<i>Securities lending collateral</i>	Cash pledged to the <i>reporting fund's</i> beneficial owners as collateral in respect of securities lending arrangements.

<i>Securitized asset fund</i>	Any <i>private fund</i> whose primary purpose is to issue asset backed securities and whose investors are primarily debt holders.
<i>Separately operated</i>	For purposes of this Form, a <i>related person</i> is <i>separately operated</i> if you are not required to complete Section 7.A. of Schedule D to <i>Form ADV</i> with respect to that <i>related person</i> .
<i>Single name CDS</i>	<i>CDSs</i> referencing a single entity. Includes sovereign <i>single name CDS</i> , financial institution <i>single name CDS</i> , and other <i>single name CDS</i> .
<i>Sovereign bonds</i>	Any notes, bonds and debentures issued by a national government (including central governments, other governments and central banks but excluding U.S. state and local governments), whether denominated in a local or foreign currency. Include bond derivatives, but <u>do not</u> include any positions held via <i>CDS</i> (these should be recorded in the <i>CDS</i> category). Include positions held indirectly through another entity (e.g., through an <i>ETF</i>, <i>exchange traded product</i>, U.S. registered investment companies, <i>non-U.S. registered investment companies</i>, <i>internal private fund</i> or <i>external private fund</i>, <i>commodity pool</i>, or other company, fund or entity), subject to Instructions 7 and 8.
<i>Structured products</i>	Pre-packaged investment products, typically based on derivatives and including structured notes.
<i>Sub-asset class</i>	Each sub-asset class identified in Question 32.
<i>Synthetic long position</i>	A total return derivative or similar contract under which (i) the <i>reporting fund</i> receives returns of a risky <i>reference asset</i> in exchange for paying the returns of a different, riskless <i>reference asset</i> , or (ii) the <i>reporting fund</i> sells deep-in-the-money (e.g., those with deltas of 98% or higher) puts on a risky <i>reference asset</i> in exchange for an option premium. Total return derivatives may include, for example, a derivative that receives the total return or credit spread of equity or debt securities issued by individual issuers, or baskets or indices of such securities, including swaps, forwards, deep-in-the-money options (e.g., those with deltas of 98% or higher) and credit default swaps which receive the credit spread (also sometimes described as "short credit protection"). Exclude total return derivatives that have been cleared through a <i>CCP</i> ; include uncleared <i>OTC</i> derivative positions only.

Include derivatives providing the return of equity securities, real estate, digital assets, commodities, *sovereign bonds*, *corporate bonds*, municipal bonds, and other assets.

Do not include *interest rate derivatives*, *volatility derivatives*, *variance derivatives* or *foreign exchange derivatives*. Do not include deep-in-the-money call options (e.g., those with deltas of 98% or higher) purchased by the *reporting fund* if the *reporting fund* has already paid the option premium in full, but include them if the premium is being paid over time.

Synthetic short position

A total return derivative or similar contract under which (i) the *reporting fund* pays returns of a risky *reference asset* in exchange for receiving the returns of a different, riskless *reference asset*, or (ii) the *reporting fund* sells deep-in-the-money calls (e.g., those with deltas of 98% or higher) on a risky *reference asset* in exchange for an option premium. Total return derivatives may include, for example, a derivative where the fund pays the total return or credit spread of equity or debt securities issued by individual issuers, or baskets or indices of such securities, including swaps, forwards, deep-in-the-money options (e.g., those with deltas of 98% or higher), and credit default swaps which pay the credit spread (also sometimes described as “long credit protection”). Exclude total return derivatives that have been cleared through a *CCP*; include uncleared *OTC* derivative positions only. Include derivatives where the fund pays the return of equity securities, real estate, digital assets, commodities, *sovereign bonds*, *corporate bonds*, municipal bonds and other assets.

Do not include *interest rate derivatives*, *volatility derivatives*, *variance derivatives* or *foreign exchange derivatives*. Do not include deep-in-the-money put options (e.g., those with deltas of 98% or higher) purchased by the *reporting fund* if the *reporting fund* has already paid the option premium in full; do include them if the premium is being paid over time.

Trading vehicle

A separate legal entity, wholly or partially owned by one or more *reporting funds*, that holds assets, incurs leverage, or conducts trading or other activities as part of a *reporting fund's* investment activities but does not operate a business.

UCITS

Undertakings for Collective Investment in Transferable Securities, as defined in the UCITS Directive of the European Parliament and of the Council (No. 2009/65/EC), as amended, or as

	captured by the Collective Investment Schemes (Amendment etc.) (EU Exit) Regulations 2019, as amended.
<i>Unencumbered cash</i>	The sum of the <i>private fund's</i> (i) <i>cash and cash equivalents</i> , (ii) <i>government securities</i> , and (iii) the value of overnight <i>repos</i> used for liquidity management where the assets purchased are U.S. <i>treasury securities</i> or <i>agency securities</i> minus the sum of the following (without duplication): (i) <i>cash and cash equivalents</i> and <i>government securities</i> transferred to a collateral taker pursuant to a title transfer arrangement; and (ii) <i>cash and cash equivalents</i> and <i>government securities</i> subject to a security interest, lien or other encumbrance (this could include <i>cash and cash equivalents</i> and <i>government securities</i> in an account subject to a control agreement).
<i>Unfunded commitments</i>	<i>Committed capital</i> that has not yet been contributed to the <i>reporting fund</i> by investors.
<i>United States person</i>	Has the meaning provided in rule 203(m)-1 under the <i>Advisers Act</i> , which includes any natural person that is resident in the United States.
<i>Unlisted equity</i>	Equities, including preferred equities that are not listed on a regulated exchange. Include synthetic or derivative exposures to equities and positions held indirectly through another entity (e.g., through an <i>ETF</i> , <i>exchange traded product</i> , U.S. registered investment companies, <i>non-U.S. registered investment companies</i> , <i>internal private fund</i> or <i>external private fund</i> , <i>commodity pool</i> , or other company, fund, or entity), subject to Instructions 7 and 8.
<i>Unsecured borrowing</i>	Obligations for borrowed money in respect of which the borrower has not posted collateral or other credit support.
<i>U.S. depository institution</i>	Any U.S. domiciled depository institution, including any of the following: (i) a depository institution chartered in the United States, including any federally-chartered or state-chartered bank, savings bank, cooperative bank, savings and loan association, or an international banking facility established by a depository institution chartered in the United States; (ii) banking offices established in the United States by a financial institution that is not organized or chartered in the United States, including a branch or agency located in the United States and engaged in banking not incorporated separately from its financial institution parent, United States subsidiaries established to engage in

	international business, and international banking facilities; (iii) any bank chartered in any of the following United States affiliated areas: U.S. territories of American Samoa, Guam, and the U.S. Virgin Islands; the Commonwealth of the Northern Mariana Islands; the Commonwealth of Puerto Rico; the Republic of the Marshall Islands; the Federated States of Micronesia; and the Trust Territory of the Pacific Islands (Palau); or (iv) a credit union (including a natural person or corporate credit union).
<i>U.S. financial institution</i>	Any of the following: (i) a financial institution chartered in the United States (whether federally-chartered or state-chartered); (ii) a financial institution that is separately incorporated or otherwise organized in the United States but has a parent that is a financial institution chartered outside the United States; or (iii) a branch or agency that resides outside the United States but has a parent that is a financial institution chartered in the United States.
<i>U.S. treasury securities</i>	Direct obligations of the U.S. Government. Include <i>U.S. treasury security</i> derivatives. Include positions held indirectly through another entity (e.g., through an <i>ETF</i> , <i>exchange traded product</i> , U.S. registered investment companies, <i>non-U.S. registered investment companies</i> , <i>internal private fund</i> or <i>external private fund</i> , <i>commodity pool</i> , or other company, fund or entity), subject to Instructions 7 and 8.
<i>Value</i>	See Instruction 15.
<i>VaR</i>	For a given portfolio, the loss over a target horizon that will not be exceeded at some specified confidence level.
<i>Variance derivative</i>	A derivative transaction for which the underlying asset is the price or yield variance of one or more assets or indices.
<i>Venture capital fund</i>	Any <i>private fund</i> meeting the definition of venture capital fund in rule 203(l)-1 of the <i>Advisers Act</i> .
<i>Volatility derivative</i>	A derivative transaction for which the underlying asset is the price or yield volatility of one or more assets or indices.
<i>WAL</i>	Weighted average portfolio life of a <i>liquidity fund</i> calculated taking into account the maturity shortening provisions contained in paragraph (i) of <i>rule 2a-7</i> , but determined without reference to the exceptions in paragraph (i) of <i>rule 2a-7</i> regarding

interest rate readjustments with the dollar-weighted average based on the percentage of each security's market value in the portfolio.

WAM

Weighted average portfolio maturity of a *liquidity fund* calculated taking into account the maturity shortening provisions contained in paragraph (i) of *rule 2a-7* with the dollar-weighted average based on the percentage of each security's market value in the portfolio.

Weekly liquid assets

Has the meaning provided in *rule 2a-7*. Include *daily liquid assets*. As a result, the value of *weekly liquid assets* should equal or exceed the value of *daily liquid assets*.

NOTE: The following Commodity Futures Trading Commission (CFTC) appendix will not appear in the Code of Federal Regulations.

CFTC Appendix to Form PF; Reporting Requirements for All Filers—CFTC Voting Summary

On this matter, Chairman Selig voted in the affirmative. No Commissioner voted in the negative.

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Part III

Nuclear Regulatory Commission

10 CFR Part 51

Generic Environmental Impact Statement for Licensing of New Nuclear Reactors; Final Rule

NUCLEAR REGULATORY COMMISSION

10 CFR Part 51

[NRC-2020-0101]

RIN 3150-AK55

Generic Environmental Impact Statement for Licensing of New Nuclear Reactors

AGENCY: Nuclear Regulatory Commission.

ACTION: Final rule.

SUMMARY: The U.S. Nuclear Regulatory Commission (NRC) is amending its regulations that govern the NRC's environmental reviews of new nuclear reactor applications under the National Environmental Policy Act. The rulemaking codifies the generic findings of the NRC's Generic Environmental Impact Statement for Licensing of New Nuclear Reactors. The Generic Environmental Impact Statement for Licensing of New Nuclear Reactors uses a technology-neutral framework and a set of plant and site parameters to determine which potential environmental impacts would be common to the construction, operation, and decommissioning of many new nuclear reactors, and thus appropriate for a generic analysis, and which potential environmental impacts would be unique, and thus require a project-specific analysis. The NRC is also issuing revision 4 to regulatory guide 4.2, "Preparation of Environmental Reports for Nuclear Power Stations," and COL-ISG-030, "Environmental Considerations Associated with New Nuclear Reactor Applications that Reference the Generic Environmental Impact Statement (NUREG-2249)." This rulemaking is separate from NRC's comprehensive review and reform of its regulations, including those governing environmental review, in accordance with Executive Order (E.O.) 14300, "Ordering the Reform of the Nuclear Regulatory Commission."

DATES: This final rule is effective May 26, 2026.

ADDRESSES: Please refer to Docket ID NRC-2020-0101 when contacting the NRC about the availability of information for this action. You may obtain publicly available information related to this action by any of the following methods:

- **Federal Rulemaking Website:** Go to <https://www.regulations.gov> and search for Docket ID NRC-2020-0101. Address questions about NRC dockets to Helen Chang; telephone: 301-415-3228; email: Helen.Chang@nrc.gov. For technical

questions, contact the individuals listed in the **FOR FURTHER INFORMATION CONTACT** section of this document.

- **NRC's Agencywide Documents Access and Management System (ADAMS):** You may obtain publicly available documents online in the ADAMS Public Documents collection at <https://www.nrc.gov/reading-rm/adams.html>. To begin the search, select "ADAMS Public Search." For problems with ADAMS, please contact the NRC's Public Document Room (PDR) reference staff at 1-800-397-4209, at 301-415-4737, or by email to PDR.Resource@nrc.gov. For the convenience of the reader, the ADAMS accession numbers are provided in the "Availability of Documents" section of this document.

- **NRC's PDR:** The PDR, where you may examine and order copies of publicly available documents, is open by appointment. To make an appointment to visit the PDR, please send an email to PDR.Resource@nrc.gov or call 1-800-397-4209 or 301-415-4737, between 8 a.m. and 4 p.m. eastern time, Monday through Friday, except Federal holidays.

- **Technical Library:** The Technical Library, which is located at Two White Flint North, 11545 Rockville Pike, Rockville, Maryland 20852, is open by appointment only. Interested parties may make appointments to examine documents by contacting the NRC Technical Library by email at Library.Resource@nrc.gov between 8 a.m. and 4 p.m. eastern time, Monday through Friday, except Federal holidays.

FOR FURTHER INFORMATION CONTACT: Soly I. Soto Lugo, Office of Nuclear Material Safety and Safeguards, telephone: 301-415-7528, email: Soly.Sotolugo@nrc.gov; Stacey Imboden, Office of Nuclear Material Safety and Safeguards, telephone: 301-415-2462, email: Stacey.Imboden@nrc.gov; or Robert Hoffman, Office of Nuclear Material Safety and Safeguards, telephone: 301-415-1107, email: Robert.Hoffman@nrc.gov. All are staff of the U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001.

SUPPLEMENTARY INFORMATION:

Executive Summary

A. Purpose of the Regulatory Action

The U.S. Nuclear Regulatory Commission (NRC) has revised its regulations to codify the findings of NUREG-2249, "Generic Environmental Impact Statement for Licensing of New Nuclear Reactors" (NR GEIS). The NR GEIS analyzes the potential environmental impacts of the construction, operation, and decommissioning of a new nuclear

reactor. The NR GEIS is intended to improve the efficiency of the NRC environmental review of a new nuclear reactor application by identifying those potential environmental issues that are expected to be common, or generic, to the construction, operation, and decommissioning of many new nuclear reactors. The NRC may rely on the NR GEIS' generic findings when conducting a subsequent, project-specific environmental review for a new nuclear reactor if specific conditions are met. This final rule codifies these generic findings into the NRC's regulations in part 51 of title 10 of the *Code of Federal Regulations* (10 CFR), "Environmental Protection Regulations for Domestic Licensing and Related Regulatory Functions," thus making the NRC's licensing process for new nuclear reactors more efficient. Specifically, these findings are codified into subpart A of 10 CFR part 51, which sets forth the NRC's regulations to implement its obligations under the National Environmental Policy Act (NEPA).¹

This final rule is separate from NRC's ongoing review and reform of its regulations in accordance with Executive Order (E.O.) 14300, "Ordering the Reform of the Nuclear Regulatory Commission" (90 FR 22587; May 29, 2025). The rulemakings associated with that effort will comprehensively reexamine NRC's NEPA implementing regulations in 10 CFR part 51 for conformance with E.O. 14300, the Fiscal Responsibility Act (Pub. L. 118-5, 137 Stat. 10) (FRA), and the United States Supreme Court's decision in *Seven County Infrastructure Coalition v. Eagle County*, 145 S. Ct. 1497 (2025). While there could be additional revisions to the NR GEIS as a result of these future rulemakings, the NRC is moving forward with publication at this time because it is a deregulatory action of high interest for new reactor applicants that was in progress before the issuance of E.O. 14300. This final rule will simplify the environmental compliance process for qualifying applicants and save the NRC and applicants significant resources, while subsequent revisions to 10 CFR part 51 are being considered.

B. Major Provisions

Major provisions of this rule and guidance include:

1. Addition of a new appendix C, "Environmental Effect of Issuing a Permit or License for a New Nuclear Reactor," to subpart A of 10 CFR part 51 to codify the findings in the NR GEIS and state that, on a 10-year cycle, the Commission intends to review the

¹ 42 U.S.C. 4321 *et seq.* (1969).

material in this appendix and update if necessary.

2. Changes to the regulations for the preparation of environmental reports for new reactors (§ 51.49, “Environmental report—limited work authorization,” and § 51.50, “Environmental report—construction permit, early site permit, or combined license stage”) to provide the applicant with the option to reference the NR GEIS.

3. Changes to the regulations for the preparation of draft environmental impact statements (EISs) for new reactors (§ 51.75, “Draft environmental impact statement—construction permit, early site permit, or combined license”, and § 51.76, “Draft environmental impact statement—limited work authorization”) to require the NRC staff to use the NR GEIS in preparing its draft EIS if an applicant for a new nuclear reactor referenced the NR GEIS in its application.

4. Addition of new section (§ 51.96, “Final supplemental environmental impact statement relying on a generic environmental impact statement for licensing new nuclear reactors”) to provide the NRC staff with directions on the preparation of final EISs that reference the NR GEIS.

5. Revisions to regulatory guide (RG) 4.2, “Preparation of Environmental Reports for Nuclear Power Stations,” to provide guidance to applicants regarding the use of the NR GEIS. In addition, preparation of an interim staff guidance document, COL-ISG-030, “Environmental Considerations Associated with New Nuclear Reactor Applications that Reference the Generic Environmental Impact Statement for Licensing of New Nuclear Reactors (NUREG-2249),” to provide guidance to the NRC staff regarding the use of the NR GEIS.

C. Costs and Benefits

The NRC prepared a regulatory analysis to determine the expected quantitative costs and benefits of this final rule and associated guidance. Assuming 45 applications over the next decade, the regulatory analysis concluded that, compared to the no-action alternative, the final rule alternative and associated guidance would result in total net averted costs for the NRC and applicants up to \$37.7 million, using a 7 percent discount rate if the NR GEIS is fully utilized. The regulatory analysis also considered qualitative factors to be considered in the NRC’s rulemaking decision. Qualitative aspects include greater regulatory stability, predictability, and clarity to the licensing process. The final rule would reduce the cost to

industry of preparing environmental reports for new nuclear reactor applications by focusing resources on project-specific analyses. The NRC also would recognize similar reductions in cost and be better able to focus its resources on the project-specific issues during new nuclear reactor licensing environmental reviews. As described in the regulatory flexibility analysis in section V of this document, the NRC is currently aware of no known small entities as defined in § 2.810, “NRC size standards,” that are planning to apply for a limited work authorization, a new nuclear reactor construction permit or operating license under 10 CFR part 50, “Domestic Licensing of Production and Utilization Facilities,” or an early site permit or combined license under 10 CFR part 52, “Licenses, Certifications, and Approvals for Nuclear Power Plants,” which would be impacted by this final rule. For more information, please see the regulatory analysis (available as indicated in section XVI, “Availability of Documents,” of this document).

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I. Background

The Generic Environmental Impact Statement for Licensing of New Nuclear Reactors (NR GEIS) is intended to streamline the NRC’s environmental review for new nuclear reactor applications received as part of the reactor licensing process.² This

² In staff requirements memorandum, SRM-SECY-20-0020, “Results of Exploratory Process for Developing a Generic Environmental Impact Statement for the Construction and Operation of Advanced Nuclear Reactors,” dated September 21, 2020, the Commission approved the development of a GEIS for the construction and operation of advanced nuclear reactors and directed staff to codify the generic findings in the *Code of Federal Regulations*. In SRM-SECY-21-0098, “Proposed

Background section provides an overview of the two existing reactor licensing processes, 10 CFR part 50, “Domestic Licensing of Production and Utilization Facilities,” and 10 CFR part 52, “Licenses, Certifications, and Approvals for Nuclear Power Plants,” under which an applicant may apply for a license for a new nuclear reactor. This section also describes the environmental review process and the Commission’s policy and past practice with respect to the use of rulemakings to adopt improvements to the licensing process.

A. New Reactor Licensing Processes—10 CFR Part 50 and 10 CFR Part 52

The NRC licenses and regulates the construction and operation of nuclear reactor facilities in the United States. The NRC’s evaluation and ultimate decision on a reactor application will involve a safety review, governed by the NRC’s regulations in either 10 CFR part 50 or 10 CFR part 52, and an environmental review, governed by the NRC’s regulations in 10 CFR part 51, “Environmental Protection Regulations for Domestic Licensing and Related Regulatory Functions.” All nuclear reactors that were operating prior to 2021 were licensed under a two-step licensing process governed by 10 CFR part 50. The first step is an application for and issuance of a construction permit. The second step, upon substantial completion of facility construction, is issuance of an operating license.

In an effort to improve regulatory efficiency and add greater predictability to the reactor licensing process, the NRC issued 10 CFR part 52 on April 18, 1989 (54 FR 15372). The rule added licensing processes for issuance of early site permits, standard design certifications, and combined licenses. Early site permits allow an applicant to obtain approval for a reactor site for future use, while certified standard plant designs can be used as pre-approved designs. Early site permits and certified designs can then be referenced in an application for a combined license. Combined licenses combine a construction permit and an operating license in a single authorization.

A nuclear reactor applicant could apply for a license under 10 CFR part 50 or 10 CFR part 52. The final rule to adopt the generic environmental conclusions of the NR GEIS in 10 CFR part 51 will be available for use in

Rule: Advanced Nuclear Reactor Generic Environmental Impact Statement,” dated April 17, 2024, the Commission directed the staff to proceed with publication of the NR GEIS after modifying it to be applicable to any new nuclear reactor application.

conjunction with either of these two licensing processes. Additionally, the NRC has issued a rulemaking that provides a new framework for licensing reactors in 10 CFR part 53.³ The NR GEIS would be available for use with this new 10 CFR part 53 licensing process for new nuclear reactors; however, this final rule does not address part 53.

B. Environmental Review—Current 10 CFR Part 51 Regulations

As a Federal agency, the NRC must comply with the National Environmental Policy Act (NEPA) by assessing the potential environmental effects of a proposed agency action prior to making a decision to approve or disapprove of that proposed action. The regulations implementing the NRC's NEPA obligations are found in 10 CFR part 51.

Under NEPA, the environmental review of a proposed action can involve one of three different levels of analysis depending on the significance of a proposed action's potential effects on the environment: (1) a categorical exclusion,⁴ (2) an environmental assessment,⁵ or (3) an environmental impact statement (EIS). An EIS, the most complex, resource-intensive, and thorough of the three levels of NEPA analysis, is a document that describes the potential environmental impacts of the proposed action as well as a reasonable range of alternatives to the proposed agency action. Under NEPA, Federal agencies prepare an EIS for any proposed agency action that may result in a significant impact to an environmental resource. In addition, the Commission has identified, by its § 51.20, "Criteria for and identification of licensing and regulatory actions

requiring environmental impact statements," regulation, certain categories of NRC proposed actions that require the preparation of an EIS. In this regard, § 51.20(b)(1) identifies the issuance of a construction permit (under the 10 CFR part 50 licensing process) or an early site permit (under the 10 CFR part 52 licensing process) for a nuclear power reactor or testing facility, as proposed actions requiring the preparation of an EIS.⁶ Similarly, § 51.20(b)(2) identifies the issuance or renewal of an operating license (under 10 CFR part 50) or a combined license (under 10 CFR part 52) for a nuclear power reactor or testing facility, as proposed actions requiring the preparation of an EIS.

The NRC's regulation at § 51.45, "Environmental report," requires a reactor applicant to submit an environmental report that discusses: (1) the impact of the proposed action on the environment, (2) any adverse environmental impacts that cannot be avoided, (3) alternatives to the proposed action, (4) the relationship between local short-term uses of the environment and maintenance and enhancement of long-term productivity, and (5) any irreversible or irretrievable commitments of resources. In addition, the applicant is required to include in its environmental report an analysis that considers and balances the environmental effects of the proposed action and the alternatives available for reducing or avoiding adverse environmental effects, as well as the benefits of the action. The NRC will independently evaluate the applicant's environmental report as part of the NRC's preparation of the draft EIS.

Before issuing a limited work authorization (LWA), a construction permit or an operating license for a nuclear plant under 10 CFR part 50, or an early site permit or combined license (that does not reference an early site permit for the proposed nuclear reactor) under 10 CFR part 52, the NRC is currently required to prepare a draft EIS that assesses the potential environmental impacts that may result from the construction, operation, and decommissioning of the proposed nuclear reactor. In preparing the draft EIS, the NRC staff will analyze the potential environmental impacts regarding different aspects or resources of the human environment (e.g., air quality). For each environmental aspect or resource area, the NRC staff will identify and analyze issues that correspond to specific, potential

environmental impacts (e.g., for the air quality resource area, the criteria pollutant emissions likely to result during construction). In the draft EIS, the NRC staff also evaluates alternatives to the proposed agency action.

After analyzing the potential environmental impacts for each issue,⁷ the NRC assigns one of the following three significance levels to describe its evaluation of those impacts on that issue:

SMALL—The environmental effects are not detectable or are so minor that they will neither destabilize nor noticeably alter any important attribute of the resource. For the purposes of assessing radiological impacts, the Commission has concluded that those impacts that do not exceed permissible levels in the Commission's regulations are considered small as the term is used in this definition.

MODERATE—The environmental effects are sufficient to alter noticeably, but not to destabilize, important attributes of the resource.

LARGE—The environmental effects are clearly noticeable and are sufficient to destabilize important attributes of the resource.

For issues where probability is a key consideration (*i.e.*, accident consequences), probability is a factor in determining significance.

In assessing the significance of environmental impacts for some environmental resources (e.g., federally protected ecological resources and historic properties that require interagency consultation with Federal agencies or Indian Tribes,⁸) the NRC assigns the appropriate impact level (other than SMALL, MODERATE, or LARGE) in accordance with the terminology used in the relevant statutes and their implementing regulations. The NRC conducts consultations under specific statutes, as appropriate.⁹

The NRC will document its environmental review and analysis

⁷ Each issue corresponds to a specific type of environmental impact potentially resulting from building, operating, or decommissioning of a new nuclear reactor.

⁸ Per 36 CFR 800.2(c)(2)(ii), the agency official will consult with any Indian Tribe or Native Hawaiian organization that attaches religious and cultural significance to historic properties that may be affected by an undertaking. The term "Indian Tribes" refers to Federally recognized Tribes as acknowledged by the Secretary of the Interior pursuant to the Federally Recognized Indian Tribe List Act of 1994 (25 U.S.C. 479a).

⁹ See Endangered Species Act (16 U.S.C. 1531 *et seq.*), Magnuson-Stevens Fishery Conservation and Management Act (16 U.S.C. 1801 *et seq.*), National Marine Sanctuaries Act (16 U.S.C. 1431 *et seq.*), and National Historic Preservation Act (54 U.S.C. 300101 *et seq.*). See also NRC Tribal Policy Statement (82 FR 2402).

³ Risk-Informed, Technology-Inclusive Regulatory Framework for Advanced Reactors (Docket ID NRC-2019-0062; RIN 3150-AK31).

⁴ The NRC defines a "categorical exclusion" as a category of actions which do not individually or cumulatively have a significant effect on the human environment and which the Commission has found to have no such effect in accordance with procedures set out in § 51.22, "Criterion for categorical exclusion; identification of licensing and regulatory actions eligible for categorical exclusion or otherwise not requiring environmental review," and for which, therefore, neither an environmental assessment nor an environmental impact statement is required. 10 CFR 51.14(a). The NRC's list of categorical exclusions is set forth in § 51.22.

⁵ The NRC defines an "environmental assessment" as a concise public document . . . that serves to: (1) Briefly provide sufficient evidence and analysis for determining whether to prepare an environmental impact statement or a finding of no significant impact. (2) Aid the Commission's compliance with NEPA when no environmental impact statement is necessary. (3) Facilitate preparation of an environmental impact statement when one is necessary. 10 CFR 51.14(a).

⁶ The terms "nuclear reactor" and "testing facility" are defined in § 50.2, "Definitions."

through the preparation of a draft EIS that will be published for public comment in the **Federal Register**, with a minimum 45-day comment period, in accordance with § 51.73, “Request for comments on draft environmental impact statement.” Further, as provided in § 51.74, “Distribution of draft environmental impact statement and supplement to draft environmental impact statement; news releases,” the NRC will distribute the draft EIS to the Environmental Protection Agency, Federal agencies that have a special expertise or jurisdiction with respect to any potential environmental impact that may be relevant to the proposed action, the applicant, and appropriate State, Tribal, and local agencies and clearinghouses.

Following the public comment period, the NRC will analyze any comments received, revise its environmental analyses as appropriate, and then prepare the final EIS in accordance with the requirements of § 51.91, “Final environmental impact statement—contents.”¹⁰ Pursuant to § 51.93, “Distribution of final environmental impact statement and supplement to final environmental impact statement; news releases,” the NRC will distribute the final EIS to many of the same entities as the draft EIS and to each commenter. The NRC also will publish a notice of availability for the final EIS in the **Federal Register**. As set forth in § 51.102, “Requirement to provide a record of decision; preparation,” and following the preparation and distribution of the final EIS, the Commission will prepare and issue the record of decision, which is a concise, publicly-available statement that documents the NRC’s decision, as informed by the final EIS. The requirements for a record of decision are described in § 51.103, “Record of decision—general,” and include stating the Commission’s decision (*e.g.*, the approval or disapproval of the nuclear reactor application), identifying the alternatives (including the proposed agency action) considered by the Commission, and a statement as to whether the Commission has taken all practicable measures within its jurisdiction to avoid or minimize environmental harm from the

alternative selected, and if not, to explain why those measures were not adopted (*e.g.*, lack of jurisdiction or authority). In cases of an adjudicatory proceeding before the NRC’s Atomic Safety and Licensing Board (ASLB), the initial decision of the presiding officer, or if appealed, the final decision of the Commission, will constitute the record of decision. To meet the § 51.102 requirement that the record of decision be a concise document, the NRC staff will also prepare a “Summary Record of Decision,” signed by the NRC’s Director, Office of Nuclear Reactor Regulation, that summarizes the presiding officer’s initial, or the Commission’s final, decision.¹¹

C. Use of Rulemaking and Generic Environmental Impact Statements

The use of rulemaking to adopt improvements to the licensing process for classes of applicants, such as reactor applicants, has several advantages, including the following, which were identified in a 1978 NRC interim policy statement:¹² (1) enhance stability and predictability of the licensing process by providing regulatory criteria and requirements in discrete generic areas on matters which are significant in the review and approval of license applications; (2) enhance public understanding and confidence in the integrity of the licensing process by inviting public participation in important generic issues which are of concern to the agency and the public; (3) enhance administrative efficiency in licensing by removing, in whole or in part, generic issues from NRC review and adjudicatory resolution in individual licensing proceedings and/or by establishing the importance (or lack of importance) of various safety and environmental issues to the decision process; (4) assist the Commission in resolving complex methodological and policy issues involved in recurring issues in the review and approval of individual licensing applications; and (5) yield an overall savings in the utilization of resources in the licensing process by the utility industry, those of the public whose interest may be affected by the rulemaking, the NRC, and other Federal, State, and local governments with an expected

improvement in the quality of the decision process.

The NR GEIS provides generic findings with respect to many environmental issues. The NRC is codifying these generic findings in 10 CFR part 51 to streamline and make more efficient the preparation of environmental reports by new nuclear reactor applicants and the NRC’s environmental reviews. This rule is consistent with past NRC part 51 rulemakings that adopted generic findings with respect to certain environmental issues related to the reactor licensing process. For example, table S–3, “Table of Uranium Fuel Cycle Environmental Data,” in § 51.51 identifies the generic findings related to various environmental impacts of the nuclear fuel cycle.¹³ As such, these applicants are not required to conduct their own analysis of these impacts in their environmental reports and the NRC can likewise rely upon these findings when preparing its EISs.

Based upon past experience, the NRC has determined that the use of a generic environmental impact statement (GEIS) and the codification of the generic findings into an NRC regulation is an efficient and thorough method of NEPA compliance when applied to a particular class of facilities or licensing and regulatory actions. Specifically, the NRC has relied upon the “Generic Environmental Impact Statement for License Renewal of Nuclear Plants” (NUREG–1437), which was issued in 1996 and recently updated in 2024, for operating power reactor license renewal actions, and the “Generic Environmental Impact Statement for Continued Storage of Spent Nuclear Fuel” (NUREG–2157), which was issued in 2014, for the continued storage of spent fuel beyond the licensed life for operation of a reactor. In this regard, the NRC added appendix B to subpart A of 10 CFR part 51, “Environmental Effect of Renewing the Operating License of a Nuclear Power Plant,” which codifies the generic findings of the NUREG–1437, and amended § 51.23, “Environmental impacts of continued storage of spent nuclear fuel beyond the licensed life for operation of a reactor,” which codifies the findings of NUREG–2157.

The NUREG–1437, which identifies the environmental issues that may apply to the renewal of an operating power

¹⁰ For a 10 CFR part 52 combined license that references an early site permit, the NRC will prepare a supplement to the final EIS for the early site permit in accordance with § 51.92(e) and will provide an opportunity for public comment on the supplement pursuant to § 51.92(f)(1). Similarly, for a 10 CFR part 50 operating license, the NRC will prepare a supplement to the final EIS for the construction permit in accordance with § 51.95(b) and will provide an opportunity for public comment on the supplement pursuant to § 51.95(a).

¹¹ For the issuance of a 10 CFR part 50 operating license supported by a supplement prepared pursuant to § 51.95(b) that is uncontested (*i.e.*, no hearing before the NRC’s ASLB), the Director, Office of Nuclear Reactor Regulation, will prepare the record of decision in accordance with § 51.103.

¹² Generic Rulemaking to Improve Nuclear Power Plant Licensing, Interim Policy Statement (43 FR 58377; December 14, 1978).

¹³ As described in § 51.51(a), the nuclear fuel cycle includes uranium mining and milling, the production of uranium hexafluoride, isotopic enrichment, fuel fabrication, reprocessing of irradiated fuel, transportation of radioactive materials and management of low-level wastes and high-level wastes related to these activities.

reactor license, served as a model for the preparation of the NR GEIS. For each operating power reactor license renewal action, the NRC prepares a project-specific supplemental EIS (SEIS) that is issued as a supplement to NUREG-1437. To date, the NRC has issued SEISs to NUREG-1437 associated with initial license renewal and subsequent license renewal for 63 plants. In NUREG-1437, the NRC determined that those issues that were common, or generic, to all nuclear reactors were identified as Category 1. Further, the NRC determined that the vast majority of the Category 1 issues were of a SMALL significance level.¹⁴ Provided that neither the license renewal applicant nor the NRC identifies any new and significant information, no further analysis is needed for that issue by the applicant in its environmental report or by the NRC in its preparation of the draft SEIS. Those issues that cannot be resolved generically and are identified as Category 2 issues must be analyzed by both the applicant in its environmental report and by the NRC in the draft SEIS. The applicant in its environmental report and the NRC in its draft SEIS must also address any new and significant information.

The NRC has codified the findings for the NUREG-1437 Category 1 issues into its regulations; the findings are listed in table B-1, "Summary of Findings on NEPA Issues for License Renewal of Nuclear Power Plants," of appendix B to subpart A of 10 CFR part 51. The regulation authorizing use of the findings in appendix B is set forth in § 51.53(c) for applicant environmental reports, in § 51.71(d) for the NRC staff's preparation of the draft SEIS, and in § 51.95(c) for the NRC staff's preparation of the final SEIS. In accordance with § 2.335(a), the codification of the generic findings and the authority to use appendix B and NUREG-1437 for operating power reactor license renewal actions bars any challenge to a generic finding or the NRC's reliance upon NUREG-1437 in a site-specific licensing proceeding before the NRC's ASLB.¹⁵ A

person seeking to challenge a codified generic finding must either file a petition for rulemaking pursuant to § 2.802, "Petition for rulemaking—requirements for filing," or, if a party to an ASLB proceeding, file a request to waive the application of the regulation pursuant to § 2.335(b), such waiver being subject to Commission approval.

The use of a GEIS for meeting the NRC's NEPA obligations and the concomitant codification of generic findings into an NRC regulation has been upheld by Federal courts. In its 1983 decision, *Baltimore Gas and Electric Co. v. NRDC*, the Supreme Court adjudicated a challenge to table S-3, codified at § 51.51.¹⁶ The Court described table S-3 as "a numerical compilation of the estimated resources used and effluents released by fuel cycle activities supporting a year's operation of a typical light-water reactor."¹⁷ Section 51.51 requires that an environmental report, prepared by an applicant for a construction permit, an early site permit, or a combined license for a light-water-cooled nuclear power reactor, use the data in table S-3 "as the basis for evaluating the contribution of the environmental effects" of all aspects of the uranium fuel cycle, such as uranium mining and milling, "to the environmental costs of licensing the nuclear power reactor."¹⁸ The Court held that "the generic method chosen by the [NRC] is clearly an appropriate method of conducting the hard look required by NEPA."¹⁹ The Court further stated that "administrative efficiency and consistency of decision are both furthered by a generic determination of these effects without needless repetition of the litigation in individual proceedings, which are subject to review by the Commission in any event."²⁰ Lower Federal courts have applied the *Baltimore Gas* holding to the NRC's reliance on NUREG-1437 for operating power license renewal licensing actions.²¹ Similarly, the NRC's codification of the generic findings of

NUREG-2157 into § 51.23 have been upheld.²²

D. Advanced Nuclear Reactors

The NRC initially developed NUREG-2249 as a document that would be applicable only to "advanced nuclear reactors" that met the values and assumptions of the plant parameter envelopes and the site parameter envelopes used to develop the GEIS. See SECY-21-0098, "Proposed Rule: Advanced Nuclear Reactor Generic Environmental Impact Statement (RIN 3150-AK55; NRC-2020-0101)," dated November 29, 2021. In staff requirements memorandum (SRM)-SECY-21-0098, "Proposed Rule: Advanced Nuclear Reactor Generic Environmental Impact Statement (RIN 3150-AK55; NRC 2020-0101)," dated April 17, 2024, the Commission directed the NRC staff to change the applicability of the GEIS and rule from "advanced nuclear reactors" to any new nuclear reactor application that meets the values and assumptions of the plant parameter envelopes and the site parameter envelopes used to develop the GEIS. Following the direction from the Commission, the GEIS and rule were revised to be applicable to any new nuclear reactor, as defined in 10 CFR 50.2, "Definitions," that meets the values and assumptions of the plant parameter envelopes and the site parameter envelopes used to develop the GEIS. The NRC also retitled this rulemaking from "Advanced Nuclear Reactor Generic Environmental Impact Statement" (ANR GEIS) to "Generic Environmental Impact Statement for Licensing of New Nuclear Reactors" (NR GEIS), to reflect the change in the applicability of the GEIS and rule.

II. Discussion

A. Amendments

The amendments to 10 CFR part 51 establish new requirements for environmental reviews of applications for an early site or construction permit, a limited work authorization, or an operating or a combined license for new nuclear reactors.

Specifically, the amendments codify the generic conclusions of the NR GEIS for those issues for which a generic conclusion regarding the potential

¹⁴ Certain issues such as the offsite radiological impacts of spent nuclear fuel storage and high-level waste disposal were not given a significance level because of uncertainty; however, the Commission concluded that the impacts would not be sufficiently large to require the NEPA conclusion, for any plant, that the option of extended operation under 10 CFR part 54 should be eliminated. Accordingly, while the Commission has not assigned a single level of significance for the offsite radiological impacts of spent fuel and high-level waste disposal, these issues were considered to be Category 1 issues by the Commission.

¹⁵ 10 CFR 2.335(a) ("[N]o rule or regulation of the Commission, or any provision thereof, concerning the licensing of production and utilization facilities, source material, special nuclear material, or

byproduct material, is subject to attack by way of discovery, proof, argument, or other means in any adjudicatory proceeding subject to this part.").

¹⁶ *Baltimore Gas and Electric Co. v. NRDC*, 462 U.S. 87 (1983).

¹⁷ *Id.*

¹⁸ 10 CFR 51.51(a).

¹⁹ *Baltimore Gas*, 462 U.S. at 101. The NEPA requires that a Federal agency "take a 'hard look' at the environmental consequences before taking a major action. *Id.* at 97 citing *Kleppe v. Sierra Club*, 427 U.S. 390, 410, n. 21.

²⁰ *Id.* at 101.

²¹ *Massachusetts v. U.S. Nuclear Regulatory Commission*, 708 F.3d 63, 68 (1st Cir. 2013) (upholding the NRC's reliance upon NUREG-1437 and its codified findings in appendix B to subpart A of 10 CFR part 51).

²² *New York v. U.S. Nuclear Regulatory Commission*, 824 F.3d 1012, 1019 (D.C. Cir. 2016) (citing *New York v. U.S. Nuclear Regulatory Commission*, 681 F.3d 471, 480 (D.C. Cir. 2012) (stating "the cornerstone of our holding was that the NRC may generically analyze risks that are 'essentially common' to all plants so long as that analysis is 'thorough and comprehensive.' In this case, we are convinced that the NRC has met that standard.")).

environmental impacts of issuing a permit or license for a new nuclear reactor can be reached. These issues are identified as Category 1 issues in the NR GEIS. Similar to the NUREG-1437, the Category 1 issues identified and described in the NR GEIS have been determined to be beneficial or have a SMALL impact or significance level. Appendix C, “Environmental Effect of Issuing a Permit or License for a New Nuclear Reactor,” to subpart A of 10 CFR part 51 summarizes the Commission’s findings for all Category 1 issues. In addition, the amendments provide an applicant for a new nuclear reactor with the option to use the NR GEIS, including the reliance upon its generic analyses and the Category 1 findings, if it can demonstrate that the design of its proposed nuclear reactor and the parameters of the proposed site meet or are bounded by the values and assumptions of the NR GEIS analysis supporting that Category 1 finding. For each Category 1 issue, each supporting value and assumption is further classified as being part of the plant parameter envelope (PPE) or the site parameter envelope (SPE). The PPE consists of those values and assumptions relating to the design and operation of the nuclear reactor, such as building height, water use, air emissions, employment levels, and noise generation levels. The SPE consists of those values and assumptions relating to the siting of the plant, such as the site size, size of water bodies supplying water to the reactor, and demographics of the region surrounding the site. The NR GEIS provides the analysis evaluating the environmental impacts of a proposed nuclear reactor that fits within the bounds of the PPE on a site that fits within the bounds of the SPE. By using this approach, impact analyses for the environmental issues common to many new reactors can be addressed generically, thereby eliminating the need to repeatedly reproduce the same analyses each time a licensing application is submitted and allowing applicants and the NRC to focus future environmental review efforts on issues that only can be resolved once a site and facility are identified.

If an applicant cannot demonstrate that the proposed nuclear reactor or the proposed site meets or is bounded by these values and assumptions, or if the applicant determines that there is new and significant information regarding that Category 1 issue,²³ then the

applicant cannot adopt the conclusions of that Category 1 finding and the applicant would then have to prepare a project-specific analysis for that issue in its environmental report. Likewise, in preparing its draft SEIS, the NRC staff would rely upon those Category 1 findings for which the applicant has demonstrated meeting or being bounded by the underlying values and assumptions and would likewise not be required to include a project-specific analysis within the draft SEIS, unless the NRC became aware of new and significant information regarding that Category 1 issue. The Category 1 findings in table C-1 to appendix C, “Summary of Findings on Environmental Issues for Issuing a Permit or License for a New Nuclear Reactor,” to subpart A of 10 CFR part 51, can only be challenged in an individual ASLB licensing proceeding if a waiver is granted by the Commission in accordance with § 2.335(b).

The NR GEIS also identifies and describes environmental issues for which a generic finding regarding the respective environmental impacts cannot be reached because the issue requires the consideration of project-specific information that can only be evaluated once the proposed site and facility are identified. The NRC classifies these issues as Category 2 issues in the NR GEIS and within the rule amendments. The NRC staff will prepare a project-specific analysis in the draft SEIS for each Category 2 issue, and for each Category 1 issue that the applicant cannot demonstrate that its project has met the underlying values and assumptions or for which there is new and significant information. The draft SEIS will also include the NRC staff’s preliminary conclusions regarding the potential environmental impacts for each of these issues.

Two additional issues are designated as not applicable (N/A) (*i.e.*, impacts are uncertain) in the NR GEIS, in that a classification of the issue as either Category 1 or 2 is not possible. These issues relate to human health effects from exposure to electromagnetic fields (EMFs) during both construction and operation. Because the state of the science is currently uncertain, no generic conclusion on human health impacts is possible for these issues. If, in the future, the Commission finds scientific information sufficient to draw

process it used to determine whether there is any new and significant information that may change that Category 1 issue’s generic analysis or finding. This requirement is modeled after the requirement in § 51.50(c)(1)(iv) that has been used for new reactor combined license applications that referenced an early site permit.

conclusions about potential human health impacts, the Commission may require applicants to submit plant-specific reviews of these health effects as part of their application. The amendments do not require applicants to submit information on these issues in the environmental report nor will the NRC staff prepare a plant-specific analysis for these issues in the draft SEIS.

After the final rule is effective, challenging the NRC’s reliance upon a Category 1 issue in an individual new nuclear reactor permitting or licensing action will be prohibited except through an approved waiver in accordance with § 2.335(b). On a 10-year cycle, the Commission intends to review the material in this GEIS and the associated rule and update it if necessary.

B. The Fiscal Responsibility Act of 2023 and the ADVANCE Act of 2024

The NRC acknowledges recent amendments to NEPA in the FRA and the Accelerating Deployment of Versatile, Advanced Nuclear for Clean Energy Act of 2024 (ADVANCE Act) (Pub. L. 118–67, 138 Stat. 1448). The NR GEIS and this rule are consistent with the requirements of the ADVANCE Act, which is intended to facilitate efficient, timely, and predictable environmental reviews of nuclear reactor license applications. Similarly, the NR GEIS and this rule is intended to streamline and expedite the NEPA review process, as required by the FRA.

The FRA added to NEPA a new section 107(e), which establishes page limits for environmental impact statements, including a 300-page limit for environmental impact statements for agency actions of “extraordinary complexity” (not including appendices, citations, figures, tables, and other graphics). The NRC finds that, to the extent that section 107(e) of the NEPA applies to the NR GEIS, a 300-page limit is appropriate because the NR GEIS addresses a proposed action of “extraordinary complexity” in light of the complicated systems, structures, and components deployed in operating nuclear power plants; the number of resource areas addressed; and the variety of environments in which nuclear power plants operate. The NR GEIS is less than 300 pages and therefore complies with the NEPA page limits.

Separate from this effort, in accordance with E.O. 14300, the NRC is undertaking a review of its regulations and guidance, which will include revisions to the NRC’s NEPA implementing regulations and guidance to align with recent amendments to

²³ The amendments would require the applicant, for each Category 1 finding that it relies upon in preparing its environmental report, to describe the

NEPA, and direction in the FRA and the ADVANCE Act.

C. Environmental Impacts Review

In the NR GEIS, the NRC has made generic findings that many of the potentially adverse environmental impacts of constructing, operating, and decommissioning a new nuclear reactor will be SMALL provided that the applicant's proposed nuclear reactor and the proposed site meets or is bounded by the respective values and assumptions supporting the Category 1 finding under consideration.

The NRC divided its conclusions about environmental impacts in the NR GEIS into the following three categories:

- *Category 1.* Environmental issues for which the NRC has been able to make a generic finding of SMALL adverse environmental impacts, or beneficial impacts, provided that the applicant's proposed reactor facility and site meet or are bounded by the relevant values and assumptions in the PPE and SPE that support the generic finding for that Category 1 issue.²⁴

- *Category 2.* Environmental issues for which a generic finding regarding the environmental impacts cannot be reached because the issue requires the consideration of project-specific information that can only be evaluated once the proposed site is identified. The impact significance (*i.e.*, SMALL, MODERATE, or LARGE)²⁵ for these issues will be determined in a project-specific evaluation.

- *Not Applicable (N/A).*

Environmental issues for which the state of the science is currently uncertain, and no generic conclusion on human health impacts is possible.

In the NR GEIS, the NRC identifies a total of 119 environmental issues that may be associated with constructing, operating, and decommissioning a new nuclear reactor; of these issues, the NRC identified 100 environmental issues as Category 1 issues. Chapter 3, "Affected Environment and Environmental Consequences," of the NR GEIS provides the analyses supporting the generic finding of a SMALL significance level impact for each Category 1 issue and indicates the relevant values and assumptions in the PPE and SPE underlying the analyses. Applicants and the NRC may rely on the generic finding

for each Category 1 issue, as codified in proposed table C-1 to subpart A of 10 CFR part 51, provided that the applicant's proposed reactor facility and the proposed site meet or are bounded by the relevant values and assumptions for that Category 1 issue and that there is no new and significant information that changes the issue's generic analysis or finding, as determined by the NRC.

The NR GEIS identifies 17 environmental issues as Category 2 issues. These issues cannot be evaluated generically and must be evaluated by the applicant, in its environmental report, and the NRC, in the SEIS, using project-specific information. For example, the Endangered Species Act of 1973 (ESA) requires every Federal agency to consult with the "Service"²⁶ and document its consideration of the impacts of its actions on threatened and endangered species and critical habitats. The NRC typically conducts this ESA analysis in parallel with its NEPA process.

Finally, for two environmental issues, the NR GEIS identifies the category as N/A. The two issues concern the potential exposure to EMFs from construction and operation. Studies of 60 hertz (Hz) EMFs have not uncovered consistent evidence linking harmful effects with field exposures. Because the state of the science is currently uncertain, no generic conclusion on human health impacts is possible. If, in the future, the Commission finds scientific information sufficient to draw conclusions about potential human health impacts, the Commission may require applicants to submit plant-specific reviews of these health effects in their environmental report. Until such time, applicants are not required to submit information on these issues.

D. Generic Environmental Impact Statement

The NR GEIS presents impact analyses for the environmental issues common to many new nuclear reactors that can be addressed generically. The NR GEIS is intended to improve the efficiency of licensing new nuclear reactors by: (1) identifying the types of potential environmental impacts of constructing, operating, and decommissioning a new nuclear reactor, (2) assessing impacts that are expected to be generic (the same or similar) for

many new nuclear reactors (Category 1 issues), and (3) defining the environmental issues that will need to be addressed in project-specific SEISs (Category 2 issues). The NRC has concluded in the NR GEIS that the potential environmental impacts will be beneficial or of a SMALL adverse significance level for Category 1 issues.

In the NR GEIS, the NRC evaluated the impacts of constructing, operating, and decommissioning a new nuclear reactor sited within the United States that meets or is bounded by the values and assumptions in the PPE and SPE for each Category 1 issue. The term "building," as used in the NR GEIS, includes the full range of preconstruction activities (*e.g.*, site grading) and NRC-authorized "construction" activities.²⁷ Further, for purposes of the NR GEIS, the NRC assumed that the U.S. Army Corps of Engineers would be a cooperating agency, in accordance with the memorandum of understanding (MOU) between the two agencies dated September 12, 2008.²⁸ In this regard, the U.S. Army Corps of Engineers has been a cooperating agency since the MOU was signed in 2008. In addition, the NR GEIS considered fuel cycle impacts and the impacts from continued storage of spent fuel, including incorporating by reference the NRC's NUREG-2157.

Because there may be multiple new nuclear reactor designs and a new nuclear reactor could be sited anywhere in the United States that meets the NRC siting requirements in 10 CFR part 100, "Reactor Site Criteria," the NRC applied a technology-neutral, performance-based approach using a PPE. The PPE consists of parameters for specific reactor design features regardless of the site. Examples of parameters include the permanent footprint of disturbance, building height, water use, air emissions, employment levels, and noise generation levels. For each PPE parameter, the NRC developed a set of bounding values and assumptions that if met, and absent any new and significant information, would demonstrate that the potential environmental impacts for that PPE parameter would be SMALL.

In addition, the NRC developed a set of site-related parameters termed the

²⁴ Beneficial impacts may include increased tax revenues associated with the increased assessed value of new reactor projects, and other economic activity such as increases in local employment, labor income, and economic output.

²⁵ See section II.B, "The Fiscal Responsibility Act of 2023 and the ADVANCE Act of 2024," of this document for a description of the SMALL, MODERATE, and LARGE significance levels used by the NRC in its EISs.

²⁶ Depending on the species impacted, the agency will consult with either the U.S. Fish & Wildlife Service (U.S. Department of the Interior) or the National Marine Fisheries Service (U.S. Department of Commerce), as provided in the Services' joint regulations at 50 CFR part 402, "Interagency Cooperation—Endangered Species Act of 1973, as Amended."

²⁷ The NRC has regulatory authority over those construction activities that are related to radiological health and safety, physical security, or otherwise pertain to radiological controls. The NRC defines these activities as "construction" in § 51.4, "Definitions." As stated in § 51.45(c) preconstruction is defined as those activities listed in § 51.4(1)(ii).

²⁸ The MOU between the NRC and the U.S. Army Corps of Engineers, dated September 12, 2008, is available in ADAMS under the accession number ML082540354.

SPE. Examples of parameters include site size, size of water bodies supplying water to the reactor, and demographics of the region surrounding the site. For each SPE parameter, the NRC developed a set of bounding values and assumptions related to the condition of the affected environment, such as the extent and occurrence of nearby bodies of water, wetlands and floodplains, and proximity to sensitive noise receptors. Similar to a PPE parameter, if an applicant can demonstrate that the proposed reactor site meets the SPE parameter's bounding values and assumptions, and absent any new and significant information, then the potential environmental impacts for that SPE parameter would be SMALL.

The PPE and SPE values and assumptions in the NR GEIS were developed by an interdisciplinary team of subject matter experts (SMEs) assigned to prepare the NR GEIS. The SMEs developed the values and assumptions based on one or more criteria, as described in the NR GEIS.

The NR GEIS identifies specific types of potential environmental impacts for 15 environmental resource areas: land use, visual resources, meteorology and air quality, water resources (surface and groundwater), terrestrial ecology, aquatic ecology, historic and cultural resources, environmental hazards (radiological and nonradiological), noise, waste management (radiological and nonradiological), postulated accidents, socioeconomics, fuel cycle, transportation of fuel and waste, and decommissioning. Each resource area includes one or more types of potential impacts, and each type of potential impact is termed an issue. In addition to the 15 environmental resource areas, the NRC considered climate change, cumulative impacts, purpose and need, need for power, site alternatives, energy alternatives, and system design alternatives. Each of the 119 issues that were identified corresponds to a specific type of environmental impact determined by the interdisciplinary team of SMEs that could potentially result from construction, operation, or decommissioning of a new nuclear reactor. For each issue, the SMEs then determined whether it would be possible to identify values and assumptions in the PPE and SPE that could effectively bound a meaningful generic analysis and provided the basis for each value and assumption. The SMEs then performed and described their generic analyses for each issue, for a hypothetical reactor/site that meets the PPE and SPE values and assumptions in the NR GEIS.

In its environmental report, the applicant would have to supply the requisite information necessary for the NRC to perform a project-specific analysis for (1) Category 1 issues for which the relevant values and assumptions are not met, or for which new and significant information was identified, and (2) all Category 2 issues. Guidance for applicants providing information to the NRC in an environmental report is available in RG 4.2, "Preparation of Environmental Reports for Nuclear Power Stations." If a project-specific analysis is required for a Category 1 issue, the applicant may be able to incorporate by reference all or part of the generic analysis provided in the NR GEIS as a part of its analysis and focus on providing any additional project-specific information needed to support its conclusion.

After the applicant submits its environmental report, the NRC staff will prepare the draft SEIS, and following the public comment period, the final SEIS. When considering a Category 1 issue in a SEIS, the NRC staff will likewise refer to the generic analysis in the NR GEIS for that issue without further analysis, provided that the relevant values and assumptions in the PPE and SPE are met and there is no new and significant information that changes the generic finding for that Category 1 issue. The NRC staff also will document whether the applicant has demonstrated that the values and assumptions are met for that issue. The NRC staff will complete a project-specific analysis in accordance with the latest version of the Environmental Standard Review Plan or related guidance (such as any relevant interim staff guidance). If a project-specific analysis is required for a Category 1 issue, the NRC staff may be able to incorporate by reference all or part of the generic analysis provided in the NR GEIS as a part of its analysis and focus on providing any additional project-specific information needed to support its conclusion.

E. Summary of Issues Analyzed in the NR GEIS

The following describes those environmental issues that were examined for the NR GEIS and summarizes the conclusions by resource area.

1. Land Use

The NRC evaluated the potential impacts to onsite and offsite land use for both construction and operation. In addition, the NRC considered the impacts of the project in accordance with the Coastal Zone Management Act

and the Farmland Protection Policy Act, if applicable. The NRC concluded that all identified issues can be classified as Category 1 issues.

2. Visual Resources

The NRC evaluated the potential visual impacts in the site and vicinity and along the transmission lines for both construction and operation. The NRC concluded that all identified issues can be classified as Category 1 issues.

3. Meteorology and Air Quality

The NRC evaluated the potential air quality impacts from the emissions of criteria pollutants, dust and hazardous pollutants, and greenhouse gas emissions for both construction and operation. In addition, the NRC considered the potential operations-related air quality impacts from cooling-system emissions and the emission of ozone and nitrogen oxides during transmission line operations. The NRC concluded that all identified issues can be classified as Category 1 issues.

4. Water Resources

The NRC evaluated the potential impacts to water use and water quality for both surface water and groundwater for both construction and operation. The NRC concluded that all identified issues can be classified as Category 1 issues, with one exception. The NRC determined that surface water quality degradation due to chemical and thermal discharges could not be resolved generically because there was no practical way to develop a comprehensive bounding set of water quality criteria, including both thermal and chemical criteria, for the PPE and SPE. Therefore, this issue is a Category 2 issue, and thus requires a project-specific evaluation.

5. Terrestrial Ecology

The NRC evaluated the potential impacts to terrestrial wildlife, habitats, and wetlands for both construction and operation. The NRC concluded that all identified issues can be classified as Category 1 issues, with two exceptions. The NRC determined that the potential impacts to wildlife, including designated "critical habitat," regulated under the ESA could not be generically resolved for either construction or operations because the NRC would need to consult individually with the U.S. Fish and Wildlife Service under ESA section 7 regarding the potential effects of each specific licensing action. Therefore, these issues are Category 2 issues and thus require a project-specific evaluation.

6. Aquatic Ecology

The NRC evaluated the potential impacts to aquatic wildlife and habitats for both construction and operation. The NRC concluded that all identified issues can be classified as Category 1 issues, with four exceptions. The NRC determined that the potential impacts to resources regulated under the ESA and the Magnuson-Stevens Fishery Conservation and Management Act could not be generically resolved for either construction or operations because the NRC would need to consult individually with the U.S. Fish and Wildlife Service and/or the National Marine Fisheries Service under ESA section 7 and the Magnuson-Stevens Act regarding the potential effects of each specific licensing action. In addition, the NRC determined that potential thermal impacts on aquatic biota and other potential effects of cooling-water discharges on aquatic biota could not be resolved generically. For both of these issues, the NRC would have to first review the discharge plume analysis and the aquatic biota potentially present before being able to reach a conclusion regarding the possible significance of impacts on the biota. Therefore, these four issues are Category 2 issues, and thus require project-specific evaluations.

7. Historic and Cultural Resources

Both construction and operation of a new nuclear reactor have the potential to affect historic and cultural resources. The NRC would need to complete a project-specific consultation in accordance with section 106 of the National Historic Preservation Act as part of its environmental review. Therefore, these two issues are Category 2 issues, and thus require project-specific evaluations.

8. Environmental Hazards

This resource area encompasses both radiological impacts and nonradiological impacts. The NRC evaluated the potential impacts of environmental hazards for both construction and operation. The NRC concluded that all identified issues can be classified as Category 1 issues, with two exceptions. These two issues are the human health impacts of EMFs for both construction and operation. The NRC determined that because the state of the science regarding the human health impacts of EMFs is currently uncertain, no generic conclusion on those impacts is possible, and thus these issues are classified as N/A. If, in the future, the Commission finds scientific information sufficient to draw conclusions about

potential human health impacts, the Commission may require applicants to submit plant-specific reviews of these health effects as part of their application. Until such time, applicants are not required to submit information on this issue.

9. Noise

The NRC evaluated the potential impacts of noise for both construction and operation. The NRC concluded that all identified issues can be classified as Category 1 issues.

10. Waste Management

This resource area encompasses the potential impacts of both radiological waste management and nonradiological waste management. The NRC evaluated the potential operational impacts of radiological waste management. In addition, the NRC evaluated the potential impacts of nonradiological waste management for both construction and operation. The NRC concluded that all identified issues can be classified as Category 1 issues.

11. Postulated Accidents

The NRC evaluated the potential operational impacts of postulated accidents (because these impacts occur only during operations). In the proposed rule, the NRC concluded that all identified issues can be classified as Category 1 issues, with one exception. In the proposed rule and draft GEIS, the NRC identified severe accidents as a Category 2 issue. Subsequently, based on public comments received on the proposed rule and draft GEIS, the NRC has updated severe accidents to be a Category 1 issue, and has developed associated PPE/SPE values. The NRC agreed with public comments received on the rule that the Severe Accident Mitigation Design Alternatives category should be merged with the Severe Accident issue because, if the Severe Accident PPE/SPE values and assumptions are met, then mitigation is addressed and does not need to be separately assessed.

12. Socioeconomics

The NRC evaluated the potential impacts of socioeconomics for both construction and operation. The NRC concluded that these two issues can be classified as Category 1 issues.

13. Fuel Cycle

The NRC evaluated the potential operational impacts of the fuel cycle (because these impacts do not occur during construction). The NRC concluded that all identified issues can be classified as Category 1 issues.

However, because the values and assumptions do not encompass the potential fuel fabrication impacts for metal fuel and liquid-fueled molten salt, such fuels would require a project-specific analysis.

The NR GEIS incorporates by reference NUREG-2157, in which the NRC evaluated the environmental impacts of the continued storage of spent nuclear fuel beyond the licensed life for the operation of light-water reactors (LWRs). In § 51.23, the NRC specifies that NUREG-2157 is deemed to be incorporated into the EIS for a new reactor. However, NUREG-2157 did not evaluate the storage of spent nuclear fuel from non-LWRs. The NRC expects that many new nuclear reactors will not be LWRs. The NR GEIS therefore evaluates the applicability of NUREG-2157 and determines that the findings in NUREG-2157 are applicable to non-LWR fuel, provided that the non-LWR fuel is stored in a manner that meets the regulatory requirements for spent fuel storage cask approval and fabrication in accordance with subpart L, "Approval of Spent Fuel Storage Casks," to 10 CFR part 72, "Licensing Requirements for the Independent Storage of Spent Nuclear Fuel, High-Level Radioactive Waste, and Reactor-Related Greater Than Class C Waste."

14. Transportation

The NRC evaluated the potential operational impacts of the transportation of fuel and waste to and from new nuclear reactors (because these impacts occur only during operations). The NRC concluded that all identified issues can be classified as Category 1 issues.

15. Decommissioning

The NRC has previously evaluated the environmental impacts of the decommissioning of nuclear power reactors. This evaluation was documented in the "Generic Environmental Impact Statement on Decommissioning of Nuclear Facilities" (Decommissioning GEIS, NUREG-0586, Supplement 1). The NRC evaluated NUREG-0586, Supplement 1, and determined that its conclusions and analysis are applicable to new reactors in the NR GEIS. Therefore, for the purposes of the NR GEIS, the environmental impacts of decommissioning for certain resource areas that were generically addressed in NUREG-0586, would be limited to operational areas, would not be detectable or destabilizing, and are expected to have a negligible effect on the impacts of terminating operations and decommissioning.

The issues for which these generic findings were made in the Decommissioning GEIS are designated as a Category 1 issue in the NR GEIS. However, certain issues in NUREG-0586, Supplement 1 (see table C-1, Decommissioning) were determined to require project-specific analysis and certain others to require project-specific analysis under certain conditions. These issues are therefore designated as Category 2 issues in the NR GEIS. NUREG-0586, Supplement 1, is incorporated into the NR GEIS. The Category 1 and Category 2 issues associated with decommissioning are presented in table C-1, below.

16. Issues Applying Across Resources

The NRC determined that the impacts related to climate change impacts on environmental resources and the consideration of cumulative impacts could not be evaluated generically. As such, both of these issues have been classified as Category 2 issues and thus require a project-specific evaluation.

17. Non-Resource Related Category 2 Issues

The NR GEIS addresses the environmental impact issues associated with constructing, operating, and decommissioning a new nuclear reactor. However, the environmental report and the NRC staff's SEIS must also include other information, as required by the regulations and discussed in regulatory guidance. These are not resource-specific issues. Rather, they are project-specific issues, not tied to any specific environmental resource, that are necessary to support the NRC's completion of its environmental review in accordance with NEPA. These issues cannot be evaluated generically and must be addressed in the environmental report and SEIS using project-specific information. In the NR GEIS, the NRC identified the following issues: purpose and need, need for power, site alternatives, energy alternatives, and system design alternatives. This list is not all-inclusive. NRC regulations at 10 CFR part 51 and guidance such as RG 4.2 describe information not included in this list that must be included as part of an application.

F. Public Comments on Notice of Exploratory Process and Notice of Intent To Prepare a Generic Environmental Impact Statement

On November 15, 2019 (84 FR 62559), the NRC published in the **Federal Register** "Agency Action Regarding the Exploratory Process for the Development of an Advanced Nuclear Reactor Generic Environmental Impact

Statement," announcing an exploratory process and soliciting comments to determine the possibility of developing a GEIS for licensing advanced nuclear reactors. The exploratory process included two public meetings, a public workshop attended by multiple stakeholders, and a site visit to the Idaho National Laboratory, a location that is being contemplated for construction and operation of advanced nuclear reactors.

Advice and recommendations on the possibility of preparing an advanced nuclear reactor GEIS were invited from all interested persons. Comments were specifically requested on the whether the scope of the GEIS should include reactors regardless of technology or be limited to specific reactor technologies, what reactor sizes (footprint) and power levels should be included in the scope of the GEIS, whether the geographical site of a reactor should be considered in developing the scope of the GEIS, and whether a set of bounding plant parameters should be consider in developing the scope of the GEIS, and if so, what parameters should be considered.

The NRC received comments that both supported and opposed the development of an advanced nuclear reactor GEIS. Commenters who supported development of an advanced nuclear reactor GEIS stated that it would improve the efficiency of the environmental review process, would avoid duplication of effort, and would focus future reviews on important environmental issues. Commenters who did not support development of an advanced nuclear reactor GEIS stated that the GEIS would be premature at this time and that the NRC did not have sufficient information available to resolve issues generically. Based on the results of the exploratory process, the NRC concluded that there was sufficient information to complete an advanced nuclear reactor GEIS which would generically resolve many environmental issues, save resources for individual reviews, and provide predictability for potential applicants in developing their applications. The results of the exploratory process were summarized in SECY-20-0020, "Results of Exploratory Process for Developing a Generic Environmental Impact Statement for the Construction and Operation of Advanced Nuclear Reactors," issued on February 28, 2020.

On April 30, 2020 (85 FR 24040), the NRC published in the **Federal Register** "Notice To Conduct Scoping and Prepare an Advanced Nuclear Reactor Generic Environmental Impact Statement." Advice and

recommendations on the scope of the GEIS were invited from all interested persons.

Comments were requested regarding the parameters that the NRC should use to bound the advanced nuclear reactors in the PPE (including power level and size of the site) and the parameters that should be used to bound the affected environment in the SPE. In addition, comments were requested on resources or issues that could be resolved generically and ones that could not.

The NRC received comments concerning the NEPA process, the PPE and SPE, hydrology, socioeconomics, environmental justice, historic and cultural resources, climate change, radiological health, uranium fuel cycle, accidents, transportation of spent fuel, and need for power. The NRC also received general comments in support of and opposition to the advanced nuclear reactor GEIS, and comments concerning issues outside the scope of the GEIS. A summary of comments and the NRC response are available in the scoping summary report issued on September 25, 2020, which is available as indicated in the "Availability of Documents" section of this document.

G. Clarifying Amendment for Postoperating Licenses

The NRC has added in § 51.53(d) a cross-reference to the license termination provisions under § 52.110, "Termination of license." This change clarifies in § 51.53(d) that NRC's requirements at 10 CFR part 52 also include license termination provisions.

H. Revisions to the Rule Due to Policy Changes

Based on policy changes issued after the publication of the Draft GEIS and proposed rule, the NRC has made the following revisions to the Final GEIS and rule:

Executive Order 14154 and Rescinding of CEQ NEPA Regulations. Executive Order (E.O.) 14154, "Unleashing American Energy," ordered the Council on Environmental Quality (CEQ) to propose rescinding regulations for the implementation of the procedural provisions of NEPA. The CEQ published an interim final rule removing the CEQ NEPA regulations on February 25, 2025 (90 FR 10610), with an effective date of this removal on April 11, 2025. Accordingly, the NRC has removed references to the CEQ NEPA regulations in the rule, GEIS, and supporting documents.

Environmental Justice. Effective April 30, 2025, the Commission withdrew its policy statement on the Treatment of Environmental Justice Matters in NRC

Regulatory and Licensing Actions (Environmental Justice Policy Statement) and its Environmental Justice Strategy (90 FR 17887). This action was taken in response to E.O. 14173, “Ending Illegal Discrimination and Restoring Merit-Based Opportunity,” which rescinded E.O. 12898, “Federal Actions To Address Environmental Justice in Minority Populations and Low-Income Populations.” In staff requirements memorandum COMSECY–25–0007, “Withdrawing the Environmental Justice Policy Statement and Environmental Justice Strategy,” signed April 10, 2025, the Commission directed the staff to “take a comprehensive review of the NRC’s environmental regulations, guidance, and training materials to remove references to environmental justice (EJ)” and “to refrain from explicitly addressing EJ in its [NEPA] reviews. . . .” Therefore, EJ will no longer be addressed in new reactor environmental reviews, and the NRC removed the two EJ Category 2 issues identified in the proposed rule and draft GEIS.

III. Opportunities for Public Participation

The proposed rule was published in the **Federal Register** on October 4, 2024, for a 75-day comment period (89 FR 80797). An editorial correction to the notice was issued on October 17, 2024 (89 FR 83632). The public comment period closed on December 18, 2024. During the comment period, the NRC conducted three public meetings on the proposed rule for the purpose of explaining the changes and answering questions from the attendees to facilitate the development of public comments. An in-person public meeting was held on November 7, 2024, at NRC headquarters in Rockville. Two virtual public meetings were held as online webinars on November 13, 2024, and November 14, 2024. The meeting summaries and official transcripts are available as indicated in the “Availability of Documents” section of this document. The public comments informed the development of this final rule.

IV. Public Comment Analysis

A. Overview

Appendix E of the NR GEIS (NUREG–2249) is the NRC’s analysis of and response to public comments received on the proposed rule (see section XVI “Availability of Documents,” of this document). The NRC received 39 comment submissions during the public comment period that ended on

December 18, 2024. A comment submission is a communication or document submitted to the NRC by an individual or entity, with one or more individual comments addressing a subject or issue. A total of 208 unique comments were received during the comment period and three public meetings.

The public comment submittals are available on the Federal rulemaking website under Docket ID NRC–2020–0101. NRC’s response to the public comments, including a summary of how NRC revised the proposed rule in response to public input, can be found in appendix E of the NR GEIS. The following sections summarize the major issues that resulted in substantive changes to this final rule and other issues raised for which no changes were made to this final rule.

B. Specific Requests for Comment

In the proposed rule, the NRC requested specific comments and supporting rationale from the public on the following issues. In this final rule, these issues are identified along with how they were resolved.

1. Plant parameter envelope and site parameter envelope values and assumptions: The proposed rule requested comment on whether the NRC staff is using an inappropriate value to result in a SMALL impact (either too restrictive, or not restrictive enough), and asked commenters to explain the basis for that position and provide an alternative proposed parameter value. Many comments generally supported the NRC’s PPE/SPE approach and stated that appropriate values to reach SMALL impacts had been identified. One comment requested that the NRC clarify the process for how these bounding values were developed.

NRC Response: Based on these comments, no reason was found to make changes to the PPE/SPE values or further clarify the process to develop the values. The process used to develop the PPE/SPE values is explained in section 1.3.1 of the NR GEIS, with the details for a given value or assumption discussed for each resource area in chapter 3 of the NR GEIS. The NRC did not make any changes in the NR GEIS, final rule, or guidance documents, finding that the use of the PPE/SPE assumptions and values presented in the GEIS establish an appropriate approach to support the generic findings of Category 1 impacts.

2. Environmental issues evaluated: The proposed rule requested comment on whether there are any environmental issues that the NRC staff did not include in the scope of the NR GEIS and the proposed rule that should be included.

One comment stated that no additional issues had been identified that should have been included, while another comment stated that the NR GEIS should accurately address the no-action alternative and replacement energy alternatives as issues so that the NR GEIS fully evaluates the environmental and societal impacts of forgoing nuclear power for other energy alternatives.

NRC Response: Both the impacts associated with the no-action alternative, including the implications of forgoing nuclear energy, and replacement energy alternatives were identified as Category 2 issues in the NR GEIS, which must be addressed during project-specific reviews. Based on these comments, the NRC did not make any changes in the NR GEIS, final rule, or guidance documents, finding that the NR GEIS addressed appropriate issues.

3. Categorization of issues: The proposed rule requested comment on whether the environmental issues are categorized appropriately. In other words, were there Category 1 issues that should be Category 2, or Category 2 issues that should be Category 1? Some comments requested that the NRC recategorize certain Category 1 issues to Category 2. For example, one comment requested that socioeconomic be changed to a Category 2 issue because of the specific conditions of reactors relating to their surrounding environment. Other comments requested that certain Category 2 issues be recategorized as Category 1. For example, a number of comments requested that Severe Accidents be changed to a Category 1 issue due to the existence of relevant generic analyses. A number of comments requested that the Category 2 non-resource related issues such as Purpose and Need, Need for Power, and Alternatives should be either eliminated as issues or changed to Category 1. One comment suggested clearer criteria should be published for classifying an issue as Category 1 or Category 2. One comment stated that staff should consider whether all issues could be treated as Category 1 issues for certain situations.

NRC Response: The NRC’s justification for and determination of SMALL impacts for each Category 1 issue is contingent on an individual proposed reactor project meeting the PPE and SPE values identified for the issue; if the project cannot meet these values for a Category 1 issue or if new and significant information exists, then a project-specific analysis for that issue must be developed, similar to the process for Category 2 issues. Criteria for defining an issue as Category 1 is discussed in chapter 3 of the NR GEIS,

which discusses how the PPE and SPE values and assumptions for each Category 1 issue were developed. NRC disagrees that Category 2 issues could be treated as Category 1 issues for certain reactor designs or certain types of sites because impacts of Category 2 issues are, by their nature, project and site specific. Based on these comments, the NRC considered whether certain issues could be treated generically and recategorized severe accidents as a Category 1 issue and combined the existing Category 1 SAMDA issue into the new Category 1 severe accidents issue (see section IV.C, “Summary of Comments Resulting in Substantive Changes to the Proposed Rule,” of this document for more detail). The NRC did not change the categorization of the non-resource related issues, as many of these requested changes relate to the Fiscal Responsibility Act of 2023 and the ADVANCE Act of 2024. Because the NRC is developing proposed changes to its NEPA procedures related to these acts, including consideration of new approaches to address non-resource related issues as part of the implementation of E.O. 14300, the suggested changes are outside the scope of the NR GEIS and rule. The suggested changes may be made in the future through other NRC actions.

4. Scope of proposed rule changes and GEIS: The proposed rule requested comment on whether the applicability of the GEIS to new reactors (which includes advanced nuclear reactors) is clearly articulated. Do the proposed revisions adequately address all licensing scenarios associated with evaluating the environmental impacts of permitting and licensing new nuclear reactor construction and operation? Certain comments requested that NRC apply the findings from the NR GEIS to environmental assessments or categorical exclusions. Other comments requested that the NRC better articulate the applicability of the NR GEIS to all new nuclear reactors, including advanced reactors and research and test reactors. One comment suggested that NRC staff rely on the NR GEIS findings for all new reactor applications, even if the application does not reference the NR GEIS.

NRC Response: Existing NRC regulations at 10 CFR 51.20(b)(1) require the preparation of an EIS for the types of new reactor licensing actions covered by the rule (*i.e.*, issuance of a limited work authorization, construction permit, operating license, early site permit, or combined license). If and until these regulations are amended, the NRC cannot assume that the NR GEIS could be used to support development

of either an environmental assessment or categorical exclusion. The NR GEIS and associated rule were written to support licensing actions for any new reactors, including advanced research and test reactors, that require an environmental impact statement. NRC disagrees with using the NR GEIS for applications that do not reference the NR GEIS, as applicants may prefer to provide a project-specific analysis of all issues rather than relying on the NR GEIS. The rule allows for voluntary use of the NR GEIS by applicants. Based on these comments, the NRC did not make any changes in the NR GEIS, final rule, or guidance documents.

5. Guidance for applicants: The proposed rule requested comment on whether the methods described in the draft revision to RG 4.2 for demonstrating values and assumptions are appropriate. Some comments stated that the methods described in RG 4.2 were appropriate. Certain comments requested that NRC align this guidance with the ADVANCE Act’s legislative intent, while other comments stated that RG 4.2 did not provide clear and practical methods for demonstrating PPE and SPE values.

NRC Response: NRC reviewed RG 4.2 in response to these comments, and generally determined that the methods described were appropriate for providing guidance on demonstrating PPE and SPE values and assumptions for Category 1 issues. Based on these comments, the NRC did not make any changes in the NR GEIS, final rule, or guidance documents.

6. Limited Work Authorizations: The proposed rule requested comment on whether the NRC should expand the NR GEIS and the rule to include NRC approval of LWAs for new nuclear reactor applications. All comments received on this question requested that the NRC specifically allow for use of the NR GEIS with LWAs.

NRC Response: As described in section IV.C of this document, and consistent with the comments, the NRC has expanded the scope of the final NR GEIS and rule to clarify that the NR GEIS can be used for LWAs, to the extent applicable.

C. Summary of Comments Resulting in Substantive Changes to the Proposed Rule

Several issues were raised during the public comment period that resulted in substantive changes to the proposed rule; these comments and NRC’s changes are briefly discussed in the following paragraphs.

Limited Work Authorizations. As discussed in section IV.B, “Specific

Requests for Comment,” of this document, the NRC asked the public, “Should the NRC expand the NR GEIS and the rule to include NRC approval of limited work authorizations (LWAs) for new nuclear reactor applications?” Several commenters suggested that LWAs should be included as a logical extension within the GEIS framework, because the LWA would by definition be part of the larger project impact.

NRC Response: The NRC agrees with the comments, determining that expansion of the GEIS and rule to include NRC approval of LWAs is a logical extension of the GEIS, particularly because activities conducted under an LWA are a subset of the activities associated with construction of a new nuclear reactor. Based on input received during the public comment period, the NRC is adding rule language allowing for use of the NR GEIS with LWAs. The NRC is amending 10 CFR 51.49,

“Environmental report—limited work authorization” and 10 CFR 51.76, “Draft environmental impact statement—limited work authorization.” The NRC made conforming changes to section 1.4 of the NR GEIS as well as RG 4.2, appendix C to subpart A of 10 CFR part 51 and ISG-030 that are part of the rulemaking package.

Postulated Accidents. The NRC received several comments on the proposed NR GEIS regarding Postulated Accidents. Several comments suggested that there is sufficient technical basis for finding Severe Accidents to be a Category 1 issue in the NR GEIS, and that mitigation for new reactors should be driven by the Severe Accident issue finding and should not be a separate issue to be evaluated. These comments suggested that the 1996 LR GEIS analysis of severe accidents, as augmented and updated by the 2013 and 2024 LR GEISs, would bound the frequency-weighted consequences of postulated severe accidents for new reactors, thereby providing the meaningful generic analysis needed to support a Category 1 finding. One comment suggested that the NR GEIS failed to present sufficient bases or technical analysis information for Design Basis Accidents Involving Radiological Releases to be a Category 1 issue and suggested that it should be a Category 2 issue due to the range of new reactor technology and designs.

NRC Response: The NRC agrees in part with the comments regarding Severe Accidents and mitigation. Based on these comments, the NRC has updated Severe Accidents to be a Category 1 issue and has developed associated PPE/SPE values based on

new information (e.g., the 2024 LR GEIS) made available since the NR GEIS proposed rule package was originally sent to the Commission (SECY-21-0098). However, the NRC disagrees that the 2024 LR GEIS analysis of severe accidents may be generically applied to all new reactor designs (e.g., non-light-water reactors) and sites without adaptation. The NRC also agrees the Severe Accident Mitigation Design Alternatives category should be merged with the severe accident issue because, if the Severe Accident PPE/SPE values and assumptions are met, then mitigation is addressed and does not need to be separately assessed. To support these changes from the proposed rule to the final rule, the NR GEIS has been updated to provide a more thorough meaningful generic analysis as a technical basis for designating the Severe Accident issue as Category 1. The NRC disagrees that Design Basis Accidents Involving Radiological Releases should be a Category 2 issue. Design basis accidents involving the release of radioactive material must meet safety regulatory requirements in either 10 CFR part 50 or 10 CFR part 52, and the PPE/SPE are based on these regulatory requirements. An applicant must demonstrate that the design of its proposed nuclear reactor and the parameters of the proposed site meet or are bounded by the values and assumptions of the NR GEIS analysis supporting that Category 1 finding. If the applicant cannot demonstrate that it meets the PPE/SPE, a project-specific analysis is needed.

The proposed rule included a total of 122 environmental issues. That total number of issues changed in the final rule as a result of public comments and changes in NRC policy. Based on the changes previously described to EJ and Postulated Accidents, the final rule has been updated to address 119 total issues. Of the 119 issues, 100 are Category 1 issues, 17 are Category 2 issues, and two issues are undetermined.

Tribal/Historic Resources Consultation. The NRC received certain comments from a Federal agency and an organization representing Tribal interests requesting that additional information on National Historic Preservation Act (NHPA) consultations be included in the NR GEIS.

NRC Response: The NRC agrees with the comments. The NRC added a discussion (section 1.4.7, Consultations) to chapter 1 of the NR GEIS and a new section (Tribal Policy Statement) to section 1 of COL-ISG-30, “Environmental Considerations for New Nuclear Reactor Applications that

Reference the Generic Environmental Impact Statement (NUREG-2249),” as a result of the comments. Additionally, section I.B, “Environmental Review—Current 10 CFR part 51 Regulations,” of this final rule has been revised to reference consultations conducted under the ESA and NHPA which require interagency consultation with Federal agencies or Indian Tribes and to reference the NRC’s Tribal Policy Statement.

Climate Change Impacts on Environmental Resources. Comments on this issue generally conflated two issues that were considered separately in the NR GEIS, specifically (1) the impacts of greenhouse gas emissions of a new reactor (a Category 1 issue), and (2) how the project’s environmental impacts would increase, decrease, or remain the same based upon climate change.

NRC Response: Based on this comment, the NRC revised the name of the Category 2 issue ‘Climate Change’ to ‘Climate Change Impacts on Environmental Resources’ to clarify that this issue addresses changes to the affected environment independent of a new nuclear reactor project and how the project’s environmental impacts would increase, decrease, or remain the same under a baseline that is altered by climate change. The revised name also distinguishes this issue from the two Category 1 issues of greenhouse gas emissions, which discuss the potential climate impacts of construction and operation of the new nuclear reactor project on the environment.

D. Summary of Other Public Comments

The NRC received comments on a variety of topics, including resource-related comments on meteorology and air quality, surface water and groundwater hydrology, terrestrial and aquatic ecology, historic and cultural resources, radiological health, radiological waste, postulated accidents, environmental justice, uranium fuel cycle, climate change, and cumulative impacts. Additional comments related to the GEIS’s purpose and need, non-resource related issues, general environmental concerns, the rulemaking and NEPA processes, the specific requests for comment discussed in section IV.B of this document, public participation, the relationship to other plans, regulations, and processes, and monitoring and adaptive management. Comments were received on supporting documents such as the regulatory analysis and the greenhouse gas and energy and system design alternative white papers. Other comments provided general support or opposition, were editorial in nature, or were determined

to be outside the scope of this rulemaking. Some of the more frequently mentioned issues and concerns in public comments, as well as the NRC’s responses to those comments and any changes made in the final NR GEIS, are summarized in the following paragraphs. These summaries and responses are not intended to be comprehensive of the detailed comments and responses contained in appendix E of the NR GEIS.

Non-Resource Related Issues: A number of comments were received on non-resource related issues, mostly requesting that these either be recategorized as Category 1 issues or removed as issues altogether. Many of these comments stated that the NRC is not legally mandated to analyze need for power under either NEPA or the Atomic Energy Act, and determinations as to whether the power is needed would have already been analyzed by the applicant prior to submitting their application. Other comments stated that the NRC does not need to analyze site and energy alternatives because the NRC does not have the authority to implement such alternatives. Because many of the suggested changes relate to the Fiscal Responsibility Act of 2023 and the ADVANCE Act of 2024, which the NRC is addressing as a separate activity from the NR GEIS, the suggested changes are outside the scope of the NR GEIS and rule. The suggested changes may be considered through other NRC actions. For example, in accordance with E.O. 14300, the NRC is undertaking a review of its regulations and guidance. Pursuant to E.O. 14300 Section 5(c), this will include proposed revisions to the NRC’s NEPA implementing regulations and alignment with the FRA amendments to NEPA, which could include further revisions to this rule and GEIS.

Relationship to Other Plans/Regulations/Processes: Many comments were received on the relationship of this rulemaking and NR GEIS to relevant laws such as the FRA and ADVANCE Act, requesting in some cases that the NRC include a fuller analysis of how the requirements and expectations for these acts have been addressed in the GEIS and in the rule. The NRC added language in the rule to reflect consistency with these acts, and updated appendix F of the NR GEIS as appropriate.

Rulemaking—Process and Authority: One comment stated that the proposed rule was overly restrictive in its approach to challenges to the generic findings and therefore exceeded the NRC’s authority. The NRC disagrees and has determined that codifying the

findings of the NR GEIS in 10 CFR part 51 is consistent with the approach used for license renewal of nuclear power plants—a long-established approach that balances regulatory stability with the ability to raise new information. If the findings from the NR GEIS are codified, then it is true that a direct challenge to any of the findings during the review of a specific project application would require a waiver of the rule through 10 CFR 2.335. However, built into the process for the review of each new reactor application is a requirement for the applicant and the staff to identify any new and significant information that would change a finding for a Category 1 issue in the NR GEIS. Likewise, members of the public can identify such information, for example through petition for rulemaking under 10 CFR 2.802. If new and significant information is identified for an issue, then an analysis of that issue is required (see 10 CFR 51.75(d)).

Resource Analyses: Many comments were received on the resource analyses in chapter 3 of the NR GEIS. The NRC agreed with many of these comments and disagreed with others. In many cases, the comment response cited specific sections of the NR GEIS adequately addressing the issue, and therefore no changes were required in the NR GEIS, final rule, or guidance documents as a result of the comment. In response to certain other comments, the NRC made a number of non-substantive updates to the NR GEIS and supporting documents to clarify and/or better address these issues and the rationale for their Category 1 or Category 2 finding. For example, a new citation was added to the NR GEIS to better address regulatory requirements for new facilities with cooling-water intakes (section 3.4.1). New language was added to the NR GEIS to address the Prohibiting Russian Uranium Imports Act and its effect on the uranium fuel cycle, as were references regarding impacts associated with HALEU (3.14.2). Standards defining *de minimis* levels for air emissions were added to the NR GEIS and clarified (section 3.3.1).

V. Regulatory Flexibility Certification

The Regulatory Flexibility Act (RFA) of 1980, as amended at 5 U.S.C. 601 *et seq.*, requires that agencies consider the impact of their rulemakings on small entities and, consistent with applicable statutes, consider alternatives to minimize these impacts on the businesses, organizations, and government jurisdictions to which they apply.

In accordance with the Small Business Administration's (SBA's) regulation at 13 CFR 121.903(c), the NRC has developed its own size standards for performing an RFA analysis and has verified with the SBA Office of Advocacy that its size standards are appropriate for NRC analyses. The NRC size standards at 10 CFR 2.810, "NRC size standards," are used to determine whether an applicant or licensee qualifies as a small entity in the NRC's regulatory programs. Section 2.810 of 10 CFR defines the following types of small entities:

Small business is a for-profit concern and is a—(1) Concern that provides a service or a concern not engaged in manufacturing with average gross receipts of \$8.0 million or less over its last five completed fiscal years; or (2) Manufacturing concern with an average number of 500 or fewer employees based upon employment during each pay period for the preceding 12 calendar months.

Small organization is a not-for-profit organization which is independently owned and operated and has annual gross receipts of \$8.0 million or less.

Small governmental jurisdiction is a government of a city, county, town, township, village, school district, or special district with a population of less than 50,000.

Small educational institution is one that is—(1) Supported by a qualifying small governmental jurisdiction; or (2) Not State or publicly supported and has 500 or fewer employees.

Number of Small Entities Affected

The NRC is currently not aware of any known small entities as defined in § 2.810 that are planning to apply for a limited work authorization, a new nuclear reactor construction permit or operating license under 10 CFR part 50, or an early site permit or combined license under 10 CFR part 52, which would be impacted by this final rule. Based on this finding, the NRC has preliminarily determined that the final rule would not have a significant economic impact on a substantial number of small entities.

Economic Impact on Small Entities

Depending on how the ownership and/or operating responsibilities for such an enterprise were structured, applicants for a commercial nuclear plant rated 8 megawatts electric (MWe) or less could conceivably qualify as small entities as defined by 10 CFR 2.810. Owners that operate power reactors rated greater than 8 MWe could generate sufficient electricity revenue that exceeds the gross annual receipts

limit of \$8.0 million, assuming a 90 percent capacity factor and the June 2021 Department of Energy's (DOE's) Energy Information Administration U.S. average price of electricity to the ultimate customer for all sectors of 11.3 cents per kilowatt-hour.

Although the NRC is not aware of any small entities that would be affected by the final rule, there is a possibility that future applications for a commercial nuclear plant permit or license could be submitted by small entities who plan to own and operate a commercial nuclear plant rated 8 MWe or less. Commercial nuclear plants that are rated 8 MWe or less would most likely be used to support electrical demand for military bases or small remote towns and would provide process heat, so they would not directly compete with a larger commercial nuclear plant that would typically produce electricity for the grid. As a result of these differing purposes, the NRC would expect that small and large entities would not be in direct competition with each other.

Therefore, the NRC concludes that this final rule would not have a significant economic impact on a substantial number of small entities.

VI. Regulatory Analysis

The NRC has prepared a final regulatory analysis on this regulation. The analysis examines the costs and benefits of the alternatives considered by the NRC. The regulatory analysis is available as indicated in the "Availability of Documents" section of this document.

VII. Backfitting and Issue Finality

The final rule codifies in 10 CFR part 51 certain environmental issues identified in the NR GEIS. The final rule also revises 10 CFR part 51 to allow an applicant for a new nuclear reactor construction permit or operating license under 10 CFR part 50, or a new nuclear reactor early site permit or combined license under 10 CFR part 52, to use the NR GEIS in preparing its environmental report. The final rule requires the NRC staff to prepare a project-specific draft SEIS and final SEIS for each application that references the NR GEIS. The NRC has determined that the backfitting rule in § 50.109, "Backfitting," and the issue finality provisions in 10 CFR part 52 do not apply to this final rule because this amendment does not involve any provision that would either constitute backfitting as that term is defined in 10 CFR chapter I or affect the issue finality of any approval issued under 10 CFR part 52.

The final rule will not constitute backfitting for applicants for

construction permits or operating licenses under 10 CFR part 50 and will not affect the issue finality of applicants for early site permits or combined licenses under 10 CFR part 52. These applicants are not, with certain exceptions not applicable here, within the scope of the backfitting or issue finality provisions. The backfitting and issue finality regulations include language delineating when the backfitting and issue finality provisions begin; in general, they begin after the issuance of a license, permit, or other approval (e.g., §§ 50.109(a)(1)(iii) and 52.98(a)). Furthermore, neither the backfitting provisions nor the issue finality provisions, with certain exceptions not applicable here, are intended to apply to NRC actions that substantially change the expectations of current and future applicants. Applicants cannot reasonably expect that future requirements will not change.

The exceptions to the general principle are applicable when an applicant references a 10 CFR part 52 approval (e.g., an early site permit or design certification rule) with specified issue finality provisions or a construction permit under 10 CFR part 50. However, this final rule will have no effect on a construction permit held by an applicant for a 10 CFR part 50 operating license or an early site permit referenced by an applicant for a 10 CFR part 52 combined license. Therefore, for purposes of this final rule, the exceptions to the general principle do not apply.

VIII. Cumulative Effects of Regulation

The NRC is following its cumulative effects of regulation (CER) process by engaging with external stakeholders throughout the rulemaking and related regulatory activities. Public involvement has included (1) the publication of a notice announcing an exploratory process and opportunity for comment to determine the possible utility of developing an advanced nuclear reactor GEIS on November 15, 2019 (84 FR 62559); (2) public meetings on November 15 and November 20, 2019, and a workshop on January 8, 2020, to gather information for the exploratory process; (3) the publication of a notice of intent to conduct scoping and prepare an advanced nuclear reactor GEIS on April 30, 2020 (85 FR 24040); (4) a public meeting on May 28, 2020, to receive comments on the scope of the GEIS; (5) public meetings on October 1, 2020 and April 15, 2021, to share information about the NRC's progress on the development of the GEIS; (6) publication of the proposed rule on

October 4, 2024 (89 FR 80797; 89 FR 83632) for comments; and (7) three public meetings conducted on November 7, 2024, November 13, 2024, and November 14, 2024, to receive comments on the proposed rule and associated guidance.

IX. Plain Writing

The Plain Writing Act of 2010 (Pub. L. 111–274) requires Federal agencies to write documents in a clear, concise, and well-organized manner. The NRC has written this document to be consistent with the Plain Writing Act as well as the Presidential Memorandum, “Plain Language in Government Writing,” published June 10, 1998 (63 FR 31885).

X. National Environmental Policy Act

The NRC has determined that this final rule is the type of action described in § 51.22(c)(3), an NRC categorical exclusion for amendments to parts of NRC regulations that relate to procedures for filing and reviewing applications for licenses or construction permits or early site permits. The NRC did not identify any special circumstances that would have required an environmental assessment or environmental impact statement. Therefore, neither an environmental impact statement nor environmental assessment has been prepared for this final rule. This action is procedural in nature in that it pertains to the type of environmental information to be reviewed.

XI. Paperwork Reduction Act

This final rule contains a new or amended collection of information subject to the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*). The collection of information was approved by the Office of Management and Budget, approval number 3150–0279.

The burden to the public for the information collection is estimated on average to be a reduction of 8.028 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the information collection.

The information collection is being conducted to fulfill the requirements of a future applicant that submits a new reactors license application. The NRC's regulations in § 51.45, “Environmental report,” require each applicant to prepare and submit an environmental report which includes, among other things, a description of the proposed action, a statement of its purposes, a description of the environment affected, and a discussion of the environmental

impacts of the proposed action and alternatives. The information will be used by the NRC to fulfill its responsibilities in the licensing review of new reactors applications. Responses to this collection of information are mandatory under the NRC's environmental protection regulations in 10 CFR part 51, “Environmental Protection Regulations for Domestic Licensing and Related Regulatory Functions.” As a Federal agency, the NRC is subject to the National Environmental Policy Act (NEPA) of 1969, as amended. The regulations in 10 CFR part 51 identify the issuance of a nuclear power plant limited work authorization, construction permit, operating license, early site permit, or combined license as major Federal actions significantly affecting the quality of the human environment. As such, an environmental impact statement is required for these actions in accordance with NEPA. Confidential and proprietary information submitted to the NRC is protected in accordance with NRC regulations at 10 CFR 9.17(a) and 10 CFR 2.390(b).

You may submit comments on any aspect of the information collection, including suggestions for reducing the burden, by the following methods:

- *Federal rulemaking website:* Go to <https://www.regulations.gov> and search for Docket ID NRC–2020–0101.

- *Mail comments to:* FOIA, Library, and Information Collections Branch, Office of the Chief Information Officer, Mail Stop: T–6 A10M, U.S. Nuclear Regulatory Commission, Washington, DC 20555–0001 or to the OMB reviewer at OMB Office of Information and Regulatory Affairs (3150–0279), Attention: Desk Officer for the Nuclear Regulatory Commission, 725 17th Street NW, Washington, DC 20503.

Public Protection Notification

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

XII. Regulatory Planning and Review

Executive Order (E.O.) 12866

The Office of Information and Regulatory Affairs (OIRA) has determined that this final rule is a significant regulatory action. Accordingly, NRC submitted this final rule to OIRA for review. NRC is required to conduct an economic analysis in accordance with section 6(a)(3)(B) of E.O. 12866. More can be found in

section VI, “Regulatory Analysis,” of this document.

Review Under E.O.s 14154, 14192, 14215, and 14300

NRC has examined this final rule and has determined that it is consistent with the policies and directives outlined in E.O. 14154, “Unleashing American Energy,” E.O. 14192, “Unleashing Prosperity Through Deregulation,” E.O. 14215 “Ensuring Accountability for All Agencies,” and E.O. 14300, “Ordering the Reform of the Nuclear Regulatory Commission.” This final rule is considered an E.O. 14192 deregulatory action. Details on the estimated costs of this final rule can be found in section VI, “Regulatory Analysis,” of this document.

XIII. Congressional Review Act

This final rule is a rule as defined in the Congressional Review Act (5 U.S.C. 801–808). However, the Office of Management and Budget has found that it does not meet the criteria at 5 U.S.C. 804(2).

XIV. Voluntary Consensus Standards

The National Technology Transfer and Advancement Act of 1995, Public Law 104–113, requires that Federal agencies use technical standards that are developed or adopted by voluntary consensus standards bodies unless the use of such a standard is inconsistent with applicable law or otherwise impractical. In this final rule, the NRC will amend various provisions of 10 CFR part 51. This action does not constitute the establishment of a standard that contains generally applicable requirements.

XV. Availability of Guidance

The NRC is issuing both new and revised guidance, revision 4 to RG 4.2, “Preparation of Environmental Reports for Nuclear Power Stations,” and interim staff guidance (ISG) document COL–ISG–030, “Environmental

Considerations Associated with New Nuclear Reactor Applications that Reference the Generic Environmental Impact Statement (NUREG–2249)—Interim Staff Guidance,” for the implementation of the requirements in this rulemaking. The guidance is available in ADAMS under Accession Nos. ML25043A345 and ML25043A341, respectively.

Revision 4 to RG 4.2 updates and re-titles appendix C to the regulatory guide, which previously provided guidance specifically for small modular reactors and non-LWRs and makes conforming changes to the body of the regulatory guide. The revisions provide supplemental guidance for applicants to establish a uniform format and content acceptable to the NRC staff for structuring and presenting the environmental information to be compiled and submitted by an applicant for a new nuclear reactor permit or license that will rely on any of the findings in the NR GEIS. More specifically, the regulatory guide describes the content of environmental information to be included in an application for a permit or license for a new nuclear reactor, including the process for confirming the applicability of Category 1 issues, and criteria to address appropriate Category 1 and Category 2 issues, as specified in the proposed amendments to 10 CFR part 51.

In addition, the NRC has issued two documents referenced in revision 4 to RG 4.2, the “Energy and System Design Mitigation Alternatives White Paper” (“White Paper”) and “Recommendations for an Applicant to Calculate Activity Data for Greenhouse Gases Estimates” (“GHG Estimates”). The White Paper describes the potential environmental impacts of various energy alternatives to the construction and operation of a new nuclear reactor, including energy alternatives both requiring and not requiring new

generation capacity. The GHG Estimates document provides guidance to nuclear reactor applicants on estimating greenhouse gas emissions. The applicant can rely upon the information provided in both the White Paper and the GHG Estimates documents, as appropriate, in preparing its environmental report that is submitted with its application. The White Paper and the GHG Estimates document can be accessed in ADAMS at Accession Nos. ML25044A472 and ML21225A768, respectively.

The COL–ISG–030 supplements NUREG–1555, “Environmental Standard Review Plans,” and will be incorporated into a future update to the NUREG. The ISG provides guidance for the NRC staff when performing a 10 CFR part 51 environmental review of an application for a permit or license for a new nuclear reactor that relies on any of the findings in the NR GEIS. The plan parallels the revisions to RG 4.2. The primary purpose of the ISG is to ensure that these reviews are focused on the significant environmental concerns associated with new nuclear reactor permitting or licensing as described in 10 CFR part 51. Specifically, it provides guidance to the NRC staff about environmental issues that should be reviewed and provides acceptance criteria to help the reviewer evaluate the information submitted as part of the permit or license application. It is also the intent of this review plan to make information about the regulatory process available and to improve communication between the NRC, interested members of the public, and the nuclear industry, thereby increasing understanding of the review process.

XVI. Availability of Documents

The documents identified in the following table are available to interested persons through one or more of the following methods, as indicated.

Document	ADAMS accession No./ Federal Register citation
Final Rule Documents	
Final NUREG–2249, “Generic Environmental Impact Statement for Licensing of New Nuclear Reactors,” dated April 2026.	ML25324A130.
Regulatory Analysis for the 10 CFR Part 51, Generic Environmental Impact Statement for Licensing of New Nuclear Reactors Final Rule, dated April 2026.	ML25323A459.
Supporting Statement for Information Collections Contained in the Final Rule	ML25044A477.
Guidance Documents	
Final Regulatory Guide 4.2, “Preparation of Environmental Reports for Nuclear Power Stations,” Revision 4, dated April 2026.	ML25043A345.
Final Interim Staff Guidance, COL–ISG–030, “Environmental Considerations for New Nuclear Reactor Applications that Reference the Generic Environmental Impact Statement (NUREG–2249),” dated April 2026.	ML25043A341.
Energy and System Design Mitigation Alternatives White Paper Report, April 2026	ML25044A472.

Document	ADAMS accession No./ Federal Register citation
Recommendations for an Applicant to Calculate Activity Data for Greenhouse Gases Estimates White Paper, dated September 2024.	ML21225A768.
Proposed Rule Documents	
Draft NUREG-2249, "Generic Environmental Impact Statement for Licensing of New Nuclear Reactors," dated September 2024.	ML24176A220.
Federal Register Notice—Proposed Rule, "Generic Environmental Impact Statement for Licensing of New Nuclear Reactors," dated October 4, 2024.	89 FR 80797.
Federal Register Notice—Proposed Rule, Correction, "Generic Environmental Impact Statement for Licensing of New Nuclear Reactors," dated October 17, 2024.	89 FR 83632.
Draft Regulatory Guide DG-4032, "Preparation of Environmental Reports for Nuclear Power Stations," dated September 2024.	ML24176A228.
Draft Regulatory Guide DG-4032, "Preparation of Environmental Reports for Nuclear Power Stations," Redline/ Strikeout Version to Support Public Comment, dated September 2024.	ML24176A229.
Energy and System Design Mitigation Alternatives White Paper Report, dated September 2024	ML21225A754.
Recommendations for an Applicant to Calculate Activity Data for Greenhouse Gases Estimates White Paper, dated September 2024.	ML21225A768.
Draft Interim Staff Guidance, COL-ISG-030, "Environmental Considerations for New Nuclear Reactor Applications that Reference the Generic Environmental Impact Statement (NUREG-2249)," dated September 2024.	ML24176A231.
Draft Regulatory Analysis for the 10 CFR Part 51, Generic Environmental Impact Statement for Licensing of New Nuclear Reactors Proposed Rule, dated September 2024.	ML24176A218.
OMB Supporting Statement for the Advanced Nuclear Reactor Generic Environment Impact Statement, Proposed Rule, dated September 12, 2024.	ML21222A060.
Public Meetings	
Summary of November 15 and 20, 2019, Public Meetings to Discuss Exploratory Process for Developing an Advanced Nuclear Reactor Generic Environmental Impact Statement, dated December 10, 2019.	ML19337C862.
Workshop to Discuss the Environmental Information Needed to Develop a Generic Environmental Impact Statement for Advanced Nuclear Reactors, dated December 13, 2019.	ML19347A733.
Summary of May 28, 2020, Advanced Reactor Generic Environmental Scoping Meeting, dated June 2, 2020	ML20161A339 (package).
Summary of October 1, 2020, Advanced Reactor Stakeholder Public Meeting, dated December 22, 2020	ML20350B457.
Summary of April 15, 2021, Advanced Reactor Stakeholder Public Meeting, dated August 24, 2021	ML21232A429.
Official Transcript of November 7, 2024: Rockville, MD—Public Meeting on Draft New Reactor Generic Environmental Impact Statement and Proposed Rule.	ML24284A344.
Official Transcript of November 13, 2024: Online—Public Meeting on Draft New Reactor Generic Environmental Impact Statement and Proposed Rule.	ML24284A349.
Official Transcript of November 14, 2024: Online—Public Meeting on Draft New Reactor Generic Environmental Impact Statement and Proposed Rule.	ML24284A354.
Related Documents	
Advanced Nuclear Reactor Generic Environmental Impact Statement Scoping Process—Summary Report, dated September 16, 2020.	ML20260H180 (package).
Notice of Availability of Memorandum of Understanding Between U.S. Army Corps of Engineers and U.S. Nuclear Regulatory Commission on Environmental Reviews Related to the Issuance of Authorizations to Construct and Operate Nuclear Power Plants, dated September 25, 2008.	73 FR 55546.
NUREG-0586, "Final Generic Environmental Impact Statement on Decommissioning of Nuclear Facilities," Supplement 1, Vol. 1, "Regarding the Decommissioning of Nuclear Power Reactors," dated November 30, 2002.	ML023470327 (package).
NUREG-1437, "Generic Environmental Impact Statement for License Renewal of Nuclear Power Plants," Revision 2, dated August 2024.	ML24087A133 (package).
NUREG-2157, "Generic Environmental Impact Statement for Continued Storage of Spent Nuclear Fuel," dated September 30, 2014.	ML14198A440 (package).
Agency Action Regarding the Exploratory Process for the Development of an Advanced Nuclear Reactor Generic Environmental Impact Statement, dated November 15, 2019.	84 FR 62559.
Notice to Conduct Scoping and Prepare an Advanced Nuclear Reactor Generic Environmental Impact Statement, dated April 30, 2020.	85 FR 24040.
SECY-20-0020, "Results of Exploratory Process for Developing a Generic Environmental Impact Statement for the Construction and Operation of Advanced Nuclear Reactors," dated February 28, 2020.	ML20052D175.
SRM-SECY-20-0020, "Results of Exploratory Process for Developing a Generic Environmental Impact Statement for the Construction and Operation of Advanced Nuclear Reactors," dated September 21, 2020.	ML20265A112.
SECY-21-0098, "Proposed Rule: Advanced Nuclear Reactor Generic Environmental Impact Statement (RIN 3150-AK55; NRC-2020-0101)," dated November 29, 2021.	ML21222A044.
Staff Requirements Memorandum (SRM)-SECY-21-0098, "Proposed Rule: Advanced Nuclear Reactor Generic Environmental Impact Statement (RIN 3150-AK55; NRC-2020-0101)," dated April 17, 2024.	ML24108A199.
Interim Final Rule, "Removal of National Environmental Policy Act Implementing Regulations," dated February 25, 2025.	90 FR 10610.

The NRC may post materials related to this document, including public

comments, on the Federal rulemaking website at <https://www.regulations.gov>

under Docket ID NRC-2020-0101. In addition, the Federal rulemaking

website allows members of the public to receive alerts when changes or additions occur in a docket folder. To subscribe: (1) navigate to the docket folder (NRC–2020–0101); (2) click the “Subscribe” link; and (3) enter an email address and click on the “Subscribe” link.

List of Subjects in 10 CFR Part 51

Administrative practice and procedure, Environmental impact statements, Hazardous waste, Nuclear energy, Nuclear materials, Nuclear power plants and reactors, Reporting and recordkeeping requirements.

For the reasons set out in the preamble and under the authority of the Atomic Energy Act of 1954, as amended; the Energy Reorganization Act of 1974, as amended; and 5 U.S.C. 552 and 553, the NRC amends 10 CFR part 51 as follows:

PART 51—ENVIRONMENTAL PROTECTION REGULATIONS FOR DOMESTIC LICENSING AND RELATED REGULATORY FUNCTIONS

■ 1. The authority citation for part 51 continues to read as follows:

Authority: Atomic Energy Act of 1954, secs. 161, 193 (42 U.S.C. 2201, 2243); Energy Reorganization Act of 1974, secs. 201, 202 (42 U.S.C. 5841, 5842); National Environmental Policy Act of 1969 (42 U.S.C. 4332, 4334, 4335); Nuclear Waste Policy Act of 1982, secs. 144(f), 121, 135, 141, 148 (42 U.S.C. 10134(f), 10141, 10155, 10161, 10168); 44 U.S.C. 3504 note. Sections 51.20, 51.30, 51.60, 51.80, and 51.97 also issued under Nuclear Waste Policy Act secs. 135, 141, 148 (42 U.S.C. 10155, 10161, 10168). Section 51.22 also issued under Atomic Energy Act sec. 274 (42 U.S.C. 2021) and under Nuclear Waste Policy Act sec. 121 (42 U.S.C. 10141). Sections 51.43, 51.67, and 51.109 also issued under Nuclear Waste Policy Act sec. 114(f) (42 U.S.C. 10134(f)).

■ 2. Amend § 51.49 by:

- a. Adding paragraph (a)(4).
- b. Revising paragraph (b).
- c. Adding paragraphs (c)(4), (d)(6), and (e)(3).

The additions and revisions read as follows:

§ 51.49 Environmental report—limited work authorization.

(a) * * *

(4) If the application for the construction permit or combined license will rely on any of the findings in appendix C to subpart A of this part in its environmental report, then the environmental report for the limited work authorization may implement the process in § 51.50(d) to determine whether it can rely on any of the findings in appendix C to subpart A of this part.

(b) *Phased application for limited work authorization and construction permit or combined license.* If the construction permit or combined license application is filed in accordance with § 2.101(a)(9) of this chapter, then the environmental report for part one of the application may be limited to a discussion of the activities proposed to be conducted under the limited work authorization. If the scope of the environmental report for part one is so limited, then:

(1) Part two of the application must include the information required by § 51.50, as applicable; and

(2) If part two of the application will rely on any of the findings in appendix C to subpart A of this part in its environmental report, then the environmental report for part one may implement the process in § 51.50(d) to determine whether it can rely on any of the findings in appendix C to subpart A of this part.

(c) * * *

(4) If the application for the early site permit will rely on any of the findings in appendix C to subpart A of this part in its environmental report, then the environmental report for the limited work authorization may implement the process in § 51.50(d) to determine whether it can rely on any of the findings in appendix C to subpart A of this part.

(d) * * *

(6) If the environmental impact statement for the early site permit relied on any of the findings in appendix C to subpart A of this part in its environmental report, then the environmental report for the limited work authorization may implement the process in § 51.50(d) to determine whether it can rely on any of the findings in appendix C to subpart A of this part for issues that were not resolved in the environmental impact statement for the early site permit.

(e) * * *

(3) If the environmental impact statement for the construction permit relied on any of the findings in appendix C to subpart A of this part in its environmental report, then the environmental report for the limited work authorization may implement the process in § 51.50(d) to determine whether it can rely on any of the findings in appendix C to subpart A of this part.

* * * * *

■ 3. In § 51.50, amend paragraph (a) by adding a new second sentence, and adding paragraph (d) to read as follows:

§ 51.50 Environmental report—construction permit, early site permit, or combined license stage.

(a) * * * For non-light-water reactors as defined in § 50.2 of this chapter, the environmental report shall contain the basis for evaluating the contribution of the environmental effects of fuel cycle activities for the nuclear reactor. * * *

* * * * *

(d) *Application for a construction permit, early site permit, or combined license for a nuclear reactor.* If an application is for a construction permit, an early site permit, or a combined license that does not reference an early site permit for a nuclear reactor, as defined in § 50.2 of this chapter, and further, if the applicant chooses to rely upon the findings of one or more of the issues identified as Category 1 issues in appendix C to subpart A of this part, then, in addition to the information and analyses required in paragraph (a), (b), or (c) of this section, as appropriate, the applicant's environmental report will be subject to the following conditions and considerations:

(1) The environmental report must contain information to demonstrate that the values and assumptions in appendix C to subpart A of this part are met, and no new and significant information is identified in accordance with paragraph (d)(5) of this section, for each Category 1 issue for which the applicant relies on the finding for that issue.

(2) The environmental report is not required to contain analyses of the environmental impacts of any issue identified as a Category 1 issue in appendix C to subpart A of this part, provided that the environmental report contains the information specified in paragraph (d)(1) of this section.

(3) The environmental report must contain analyses of the environmental impacts of the proposed action, including the construction, operation, and decommissioning of the proposed nuclear reactor, for:

(i) Any Category 1 issue for which the values and assumptions are not met or for which new and significant information is identified in accordance with paragraph (d)(5) of this section; and

(ii) Each issue identified as a Category 2 issue in appendix C to subpart A of this part.

(4) The environmental report must contain a consideration of alternatives for reducing adverse environmental impacts, as required by § 51.45(c), for all issues identified as Category 1 issues in appendix C to subpart A of this part for which the environmental report does not contain the information specified in paragraph (d)(1) of this section, and for

all issues identified as Category 2 issues in appendix C to subpart A of this part. No such consideration is required for Category 1 issues in appendix C to subpart A of this part that meet the applicable values and assumptions as specified in paragraph (d)(1) of this section.

(5) The environmental report must contain any new and significant information of which the applicant is aware regarding the environmental impacts for all issues identified as Category 1 issues in appendix C to subpart A of this part for which the applicant relies on the findings for those issues.

(6) The environmental report must contain a description of the process used to identify new and significant information regarding the issues identified as Category 1 issues in appendix C to subpart A of this part for which the applicant relies on the findings for those issues.

§ 51.53 [Amended]

■ 4. In § 51.53, amend paragraph (d) by removing the reference “§ 50.82 or § 53.1080 of this chapter” and adding in its place the references “§ 50.82, § 52.110, or § 53.1080 of this chapter”.

■ 5. In § 51.75, add paragraph (d) to read as follows:

§ 51.75 Draft environmental impact statement—construction permit, early site permit, or combined license.

* * * * *

(d) *Construction permit, early site permit, or combined license for a nuclear reactor.* If a draft environmental impact statement is being prepared in accordance with paragraph (a), (b), or (c) of this section, and if applicant's environmental report relied upon the findings of one or more of the issues identified as Category 1 issues in appendix C to subpart A of this part, the draft environmental impact statement must be prepared as a supplement to NUREG-2249, “Generic Environmental Impact Statement for Licensing of New Nuclear Reactors.” In addition, the NRC staff will conduct scoping in accordance with § 51.26(a) and (b). The draft supplemental environmental impact statement will incorporate the conclusions in NUREG-2249 for issues identified as Category 1 for which the applicant has demonstrated that the applicable values and assumptions have been met and for which neither the applicant nor the NRC identified any new and significant information. The draft supplemental environmental impact statement must contain an analysis for those issues identified as Category 1 for which the applicant

could not demonstrate that the applicable values and assumptions were met or for which any new and significant information was identified by the applicant or the NRC, and for those issues identified as Category 2.

■ 6. In § 51.76, revise paragraph (f) to read as follows:

§ 51.76 Draft environmental impact statement—limited work authorization.

* * * * *

(f) *Draft environmental impact statement.* A draft environmental impact statement prepared under this section must separately evaluate the environmental impacts and proposed alternatives attributable to the activities proposed to be conducted under the limited work authorization. However, if the “Applicant's Environmental Report—Limited Work Authorization Stage,” also contains the information required to be submitted in the environmental report required under § 51.50, then the environmental impact statement must address the impacts of construction and operation for the proposed facility (including the environmental impacts attributable to the limited work authorization), and discuss the overall costs and benefits balancing for the underlying proposed action, in accordance with § 51.71, and § 51.75(a) or (c), as applicable. For any draft environmental impact statement prepared under this section, if the applicant's environmental report relied upon the findings of one or more of the issues identified as Category 1 issues in appendix C to subpart A of this part, the draft environmental impact statement must be prepared as a supplement to NUREG-2249, “Generic Environmental Impact Statement for Licensing of New Nuclear Reactors.” In addition, the NRC staff will conduct scoping in accordance with § 51.26(a) and (b). The draft supplemental environmental impact statement will incorporate the conclusions in NUREG-2249 for issues identified as Category 1 for which the applicant has demonstrated that the applicable values and assumptions have been met and for which neither the applicant nor the NRC identified any new and significant information. The draft supplemental environmental impact statement must contain an analysis for those issues identified as Category 1 for which the applicant could not demonstrate that the applicable values and assumptions were met or for which any new and significant information was identified by the applicant or the NRC, and for those issues identified as Category 2.

■ 7. Add § 51.96 under the undesignated center heading “Final

Environmental Impact Statements—Production and Utilization Facilities” to read as follows:

§ 51.96 Final supplemental environmental impact statement relying on a generic environmental impact statement for licensing new nuclear reactors.

(a) In connection with a construction permit, an early site permit, or a combined license that does not reference an early site permit for a nuclear reactor, as defined in 10 CFR 50.2, and for which the NRC staff relied on any of the findings in appendix C to subpart A of this part in preparing a draft supplemental environmental impact statement in accordance with § 51.75(d), the NRC shall prepare a final supplemental environmental impact statement, which is a supplement to the Commission's NUREG-2249, “Generic Environmental Impact Statement for Licensing of New Nuclear Reactors.”

(b) The final supplemental environmental impact statement required by paragraph (a) of this section must contain the NRC staff's recommendation regarding the environmental acceptability of approving the construction permit, the early site permit, or the combined license. In order to make recommendations and reach a final decision on the proposed action, the NRC staff, adjudicatory officers, and Commission shall integrate:

(1) The conclusions in NUREG-2249 for issues designated as Category 1 for which the applicant has demonstrated that the applicable values and assumptions have been met and for which neither the applicant nor the NRC staff identified any new and significant information.

(2) Information developed for those Category 1 issues for which the applicant could not demonstrate that the applicable values and assumptions were met and those Category 2 issues applicable to the plant under § 51.50(d) and any new and significant information.

(c) The final supplemental environmental impact statement required by paragraph (a) of this section shall address those issues as required by § 51.91 and shall be distributed in accordance with § 51.93.

(d) In connection with a combined license that references an early site permit for which the NRC staff relied on any of the findings in appendix C to subpart A of this part in preparing the supplemental environmental impact statement for that early site permit, the NRC shall prepare a supplement to that final supplemental environmental impact statement. The supplement must

meet the requirements of § 51.92(e) and shall be considered a supplement to NUREG–2249.

(e) In connection with a combined license that references an early site permit for which the NRC staff relied on any of the findings in appendix C to subpart A of this part in preparing the draft supplemental environmental impact statement, the NRC staff shall prepare a supplement to the early site permit environmental impact statement. The supplement must be prepared in accordance with § 51.92(e) and shall be considered a supplement to NUREG–2249.

(f) In connection with the issuance of an operating license for which the NRC staff relied on any of the findings in appendix C to subpart A of this part in

preparing the supplemental environmental impact statement for the construction permit for that nuclear reactor, the NRC shall prepare a supplement to the final supplemental environmental impact statement. The supplement must meet the requirements of § 51.95(b) and shall be considered a supplement to NUREG–2249.

■ 8. Add appendix C to subpart A of part 51 to read as follows:

**Appendix C to Subpart A of Part 51—
Environmental Effect of Issuing a
Permit or License for a New Nuclear
Reactor**

The Commission has assessed the environmental impacts associated with authorizing the construction, operation, and decommissioning of a nuclear reactor. Table C–1 summarizes the Commission’s generic

findings on the scope and magnitude of environmental impacts of such an authorization as required by section 102(2) of the National Environmental Policy Act of 1969, as amended. Table C–1 presents the results of the generic analysis of those environmental impacts associated with building,¹ operating, and decommissioning a nuclear reactor that the NRC has designated as Category 1, as well as listing the issues that could not be resolved generically, designated as Category 2. The use of this table by applicants will be in accordance with § 51.50(d), and the use by the staff will be in accordance with §§ 51.75(d) and 51.96. On a 10-year cycle, the Commission intends to review the material in this appendix and update it if necessary. A scoping notice must be published in the **Federal Register** indicating the results of the NRC’s review and inviting public comments and proposals for other areas that should be updated.

TABLE C–1—SUMMARY OF FINDINGS ON ENVIRONMENTAL ISSUES FOR ISSUING A PERMIT OR LICENSE FOR A NEW NUCLEAR REACTOR¹

Issue	Category ²	Finding ³	Plant parameter envelope/site parameter envelope values and assumptions ⁴
Land Use			
Construction:			
Onsite Land Use	1	SMALL	The proposed project, including any associated land uses, complies with NRC siting regulations in 10 CFR part 100. The site size is 100 acres [ac] (40.5 hectares [ha]) or less. The permanent footprint of disturbance includes 30 ac (12 ha) or less of vegetated lands, and the temporary footprint of disturbance includes no more than an additional 20 ac (8.1 ha) or less of vegetated lands. The proposed project complies with the site’s zoning and is consistent with any relevant land use plans or comprehensive plans. The site would not be situated closer than 0.5 miles [mi] (0.8 kilometers [km]) to existing residential areas or 1.0 mi (1.6 km) to sensitive land uses such as Federal, State, or local parks; wildlife refuges; conservation lands; Wild and Scenic Rivers; or Natural Heritage Rivers. The site does not have a history of past industrial use capable of leaving a legacy of contamination requiring cleanup to protect human health and the environment. The total wetland loss from use of the site, including use of any offsite rights-of-way (ROWs), would be no more than 0.5 ac (0.2 ha). Best management practices (BMPs) for erosion, sediment control, and stormwater management would be used. Compliance with any mitigation measures established through zoning ordinances, local building permits, site use permits, or other land use authorizations.
Offsite Land Use	1	SMALL	New offsite ROWs for transmission lines, pipelines, or access roads would be no more than 100 feet [ft] (30.5 meters [m]) in width and total no more than 1 mi (1.6 km) in length. No new offsite ROW would be situated closer than 0.5 mi (0.8 km) to existing residential areas or sensitive land uses such as Federal, State, or local parks; wildlife refuges; conservation lands; Wild and Scenic Rivers; or Natural Heritage Rivers. No existing ROWs in residential areas would be used or widened to accommodate project features. No ROW has a history of past industrial use capable of leaving a legacy of contamination requiring cleanup to protect human health and the environment. The total wetland loss from use of the entire project, including use of the site and any offsite ROWs, would be no more than 0.5 ac (0.2 ha). BMPs for erosion, sediment control, and stormwater management would be used. Compliance with any mitigation measures established through zoning ordinances, local building permits, site use permits, or other land use authorizations.
Impacts to Prime and Unique Farmland.	1	SMALL	The site size is (40.5 ha) or less. The site does not contain any prime or unique farmland or other farmland of statewide or local importance; or the site does not abut any agricultural land and is not situated in a predominantly agricultural landscape.
Coastal Zone and Compliance with the Coastal Zone Management Act (16 U.S.C. 1451 <i>et seq.</i>).	1	SMALL	The site is not situated in any designated coastal zone, or the applicant can demonstrate that the affected State(s) have or will issue a consistency determination or other indication that the project complies with the Coastal Zone Management Act.
Operation:			
Onsite Land Use	1	SMALL	The proposed project, including any associated land uses, complies with NRC siting regulations in 10 CFR part 100. The site size is 100 ac (40.5 ha) or less. If needed, cooling towers would be mechanical draft, not natural draft; less than 100 ft (30.5 m) in height; and equipped with drift eliminators. Any makeup water for the cooling towers would be fresh water (less than 1 part per trillion [ppt] salinity). BMPs for erosion, sediment control, and stormwater management would be used.

¹ The term “building,” as used in the NR GEIS, includes the full range of preconstruction (building

activities not within the NRC’s regulatory authority), and construction and installation

activities (building activities within the NRC’s regulatory authority).

TABLE C-1—SUMMARY OF FINDINGS ON ENVIRONMENTAL ISSUES FOR ISSUING A PERMIT OR LICENSE FOR A NEW NUCLEAR REACTOR ¹—Continued

Issue	Category ²	Finding ³	Plant parameter envelope/site parameter envelope values and assumptions ⁴
Offsite Land Use	1	SMALL	New offsite ROWs for transmission lines, pipelines, or access roads would be no more than 100 ft (30.5 m) in width and total no more than 1 mi (1.6 km) in length. BMPs for erosion, sediment control, and stormwater management would be used (wherever land is disturbed during the course of ROW management).
Visual Resources			
Construction: Visual Impacts in Site and Vicinity	1	SMALL	The site size is 100 ac (40.5 ha) or less. The site would not be situated closer than 0.5 mi (0.8 km) to existing residential areas or 1 mi (1.6 km) to sensitive land uses such as Federal, State, or local parks; wildlife refuges; conservation lands; Wild and Scenic Rivers; or Natural Heritage Rivers. The maximum proposed building and structure height is no more than 50 ft (15.2 m), except that the maximum height is 200 ft (61 m) for proposed meteorological towers and 100 ft (30.5 m) for transmission line poles/towers and mechanical draft cooling towers. The proposed project structures would not be visible from Federal or State parks or wilderness areas designated as Class 1 under section 162 of the Clean Air Act (42 U.S.C. 7472); or as a Wild and Scenic River, a Natural Heritage River, or a river of similar State designation.
Visual Impacts from Transmission Lines.	1	SMALL	New offsite ROWs for transmission lines, pipelines, or access roads would be no more than 100 ft (30.5 m) in width and total no more than 1 mi (1.6 km) in length. No transmission line structures (poles or towers) would be over 100 ft (30.5 m) in height. The new offsite ROWs would not be situated closer than 1 mi (1.6 km) to existing residential areas or sensitive land uses such as Federal, State, or local parks; wildlife refuges; conservation lands; Wild and Scenic Rivers; or Natural Heritage Rivers. Any proposed new structures on offsite ROWs would not be visible from Federal or State parks or wilderness areas designated as Class 1 under section 162 of the Clean Air Act (42 U.S.C. 7472); or as a Wild and Scenic River, a Natural Heritage River, or a river of similar State designation.
Operation: Visual Impacts During Operations	1	SMALL	The site would not be situated closer than 1 mi (1.6 km) to existing residential areas or sensitive land uses such as Federal, State, or local parks; wildlife refuges; conservation lands; Wild and Scenic Rivers; or Natural Heritage Rivers. The maximum proposed building and structure height would be no more than 50 ft (15.2 m), except that the maximum height would be 200 ft (61 m) for proposed meteorological towers and 100 ft (30.5 m) for proposed transmission line poles/towers and proposed mechanical draft cooling towers. The proposed project structures would not be visible from Federal or State parks or wilderness areas designated as Class 1 under section 162 of the Clean Air Act (42 U.S.C. 7472); or as a Wild and Scenic River, a Natural Heritage River, or a river of similar State designation. If needed, cooling towers would be mechanical draft, not natural draft; less than 100 ft (30.5 m) in height; and equipped with drift eliminators. Any makeup water for the cooling towers would be fresh water (less than 1 ppt salinity).
Meteorology and Air Quality			
Construction: Emissions of Criteria Pollutants and Dust During Construction.	1	SMALL	The site size is 100 ac (40.5 ha) or less. The permanent footprint of disturbance is 30 ac (12.1 ha) or less of vegetated lands and the temporary footprint of disturbance is an additional 20 ac (8.1 ha) or less of vegetated land. New offsite ROWs for transmission lines, pipelines, or access roads would be no longer than 1 mi (1.6 km) and have a maximum ROW width of 100 ft (30.5 m). Criteria pollutants emitted from vehicles and standby power equipment during construction are less than Clean Air Act de minimis levels set by the U.S. Environmental Protection Agency (EPA) if the site is located in a nonattainment or maintenance area, or the site is located in an attainment area. The site is not located within 1 mi (1.6 km) of a mandatory Class I Federal area where visibility is an important value. The level of service (LOS) determination for affected roadways does not change. Mitigation necessary to rely on the generic analysis includes implementation of BMPs for dust control. Compliance with air permits under State and Federal laws that address the impact of air emissions during construction.
Greenhouse Gas Emissions During Construction.	1	SMALL	Greenhouse gases emitted by equipment and vehicles during the 97-year greenhouse gas life-cycle period would be equal to or less than 2,534,000 metric tons [MT] of carbon dioxide equivalent [CO ₂ (e)]. Appendix H of NUREG-2249, "Generic Environmental Impact Statement for Licensing of New Nuclear Reactors" contains the NRC's methodology for developing this value, which includes emissions from construction, operation, and decommissioning. As long as this total value is met, the impacts for the life cycle of the project and the individual phases of the project are determined to be SMALL.
Operation: Emissions of Criteria and Hazardous Air Pollutants during Operation.	1	SMALL	Criteria pollutants emitted from vehicles and standby power equipment during operations are less than Clean Air Act de minimis levels set by the EPA if located in a nonattainment or maintenance area. The site is not located within 1 mi (1.6 km) of a mandatory Class I Federal area where visibility is an important value. The LOS determination for affected roadways does not change. Compliance with air permits under State and Federal laws that address the impact of air emissions. Hazardous air pollutant (HAP) emissions will be within regulatory limits.

TABLE C-1—SUMMARY OF FINDINGS ON ENVIRONMENTAL ISSUES FOR ISSUING A PERMIT OR LICENSE FOR A NEW NUCLEAR REACTOR ¹—Continued

Issue	Category ²	Finding ³	Plant parameter envelope/site parameter envelope values and assumptions ⁴
Greenhouse Gas Emissions During Operation.	1	SMALL	Greenhouse gases emitted by equipment and vehicles during the 97-year greenhouse gas life-cycle period would be equal to or less than 2,534,000 MT of CO ₂ (e). Appendix H of NUREG-2249 contains the NRC's methodology for developing this value, which includes emissions from construction, operation, and decommissioning. As long as this total value is met, the impacts for the life cycle of the project and the individual phases of the project are determined to be SMALL.
Cooling-System Emissions	1	SMALL	If needed, cooling towers would be mechanical draft, not natural draft. Cooling towers would be equipped with drift eliminators. The site is not located within 1 mi (1.6 km) of a mandatory Class I Federal area where visibility is an important value. Mechanical draft cooling towers would be less than 100 ft (30.5 m) tall. Makeup water would be fresh (with a salinity less than 1 ppt). Operation of cooling towers is assumed to be subject to State permitting requirements. HAP emissions would be within regulatory limits. No existing residential areas within 0.5 mi (0.8 km) of the site.
Emissions of Ozone and Nitrogen Oxides during Transmission Line Operation.	1	SMALL	The transmission line voltage would be no higher than 1,200 kilovolts [kV].
Water Resources			
Construction: Surface Water Use Conflicts during Construction.	1	SMALL	Total Plant Water Demand Less than or equal to a daily average of 6,000 gallons per minute [gpm] (0.379 cubic meters per second [m ³ /s]). If water is obtained from a flowing water body, then the following plant parameter envelope/site parameter envelope (PPE/SPE) parameter and associated assumptions also apply: Average plant water withdrawals do not reduce discharge from the flowing water body by more than 3 percent of the 95 percent exceedance daily flow and do not prevent the maintenance of applicable instream flow requirements. The 95 percent exceedance flow accounts for existing and planned future withdrawals. Water availability is demonstrated by the ability to obtain a withdrawal permit issued by State, regional, or Tribal governing authorities. Water rights for the withdrawal amount are obtainable, if needed. If water is obtained from a non-flowing water body, then the following PPE/SPE parameter and associated value and assumptions also apply: Water availability of the Great Lakes, the Gulf of America, oceans, estuaries, and intertidal zones exceeds the amount of water required by the plant. Water availability is demonstrated by the ability to obtain a withdrawal permit issued by State, regional, or Tribal governing authorities. Water rights for the withdrawal amount are obtainable, if needed. The Coastal Zone Management Act consistency determination is obtainable, if applicable, for the non-flowing water body.
Groundwater Use Conflicts due to Excavation Dewatering.	1	SMALL	The long-term dewatering withdrawal rate is less than or equal to 50 gpm (0.003 m ³ /s) (the initial rate may be larger). Dewatering results in negligible groundwater level drawdown at the site boundary.
Groundwater Use Conflicts due to Construction-Related Groundwater Withdrawals.	1	SMALL	Groundwater withdrawal for all plant uses (excluding dewatering) is less than or equal to 50 gpm (0.003 m ³ /s). Withdrawal results in no more than 1 ft (0.3 m) of groundwater level drawdown at the site boundary. Withdrawals are not derived from an EPA-designated Sole Source Aquifer (SSA), or from any aquifer designated by a State, Tribe, or regional authority to have special protections to limit drawdown. Withdrawals meet any applicable State or local permit requirements.
Water Quality Degradation due to Construction-Related Discharges.	1	SMALL	The permanent footprint of disturbance includes 30 ac (12.1 ha) or less of vegetated lands, and the temporary footprint of disturbance includes no more than an additional 20 ac (8.1 ha) or less of vegetated lands. Adherence to requirements in National Pollutant Discharge Elimination System (NPDES) permits issued by the EPA or State permitting program, and any other applicable permits. The long-term groundwater dewatering withdrawal rate is less than or equal to 50 gpm (0.003 m ³ /s). Dewatering discharge has minimal effects on the quality of the receiving water body (e.g., as demonstrated by conformance with NPDES permit requirements). There are no planned discharges to the subsurface (by infiltration or injection), including stormwater discharge.
Water Quality Degradation due to Inadvertent Spills during Construction.	1	SMALL	The site size is 100 ac (40.5 ha) or less. The permanent footprint of disturbance includes 30 ac (12.1 ha) or less of vegetated lands, and the temporary footprint of disturbance includes no more than an additional 20 ac (8.1 ha) or less of vegetated lands. Applicable requirements and guidance on spill prevention and control are followed, including relevant BMPs and Integrated Pollution Prevention Plans (IPPPs).
Water Quality Degradation due to Groundwater Withdrawal.	1	SMALL	Groundwater Withdrawal for Excavation or Foundation Dewatering. The long-term dewatering withdrawal rate is less than or equal to 50 gpm (0.003 m ³ /s) (the initial rate may be larger). Dewatering results in negligible groundwater level drawdown at the site boundary. Groundwater Withdrawal for Plant Uses Groundwater withdrawal for all plant uses (excluding dewatering) is less than or equal to 50 gpm (0.003 m ³ /s). Withdrawal results in no more than 1 ft (0.3 m) of groundwater level drawdown at the site boundary. Withdrawals are not derived from an EPA-designated SSA, or from any aquifer designated by a State, Tribe, or regional authority to have special protections to limit drawdown. Withdrawals meet any applicable State or local permit requirements.
Water Quality Degradation due to Off-shore or In-Water Construction Activities.	1	SMALL	In-water structures (including intake and discharge structures) are constructed in compliance with provisions of the Clean Water Act (CWA) section 404 (33 U.S.C. 1344) and section 10 of the Rivers and Harbors Appropriation Act of 1899 (33 U.S.C. 401 et seq.). Adverse effects of building activities controlled and localized using BMPs such as installation of turbidity curtains or installation of cofferdams. Construction duration would be less than 7 years.

TABLE C-1—SUMMARY OF FINDINGS ON ENVIRONMENTAL ISSUES FOR ISSUING A PERMIT OR LICENSE FOR A NEW NUCLEAR REACTOR ¹—Continued

Issue	Category ²	Finding ³	Plant parameter envelope/site parameter envelope values and assumptions ⁴
Water Use Conflict Due to Plant Municipal Water Demand.	1	SMALL	The amount available from municipal water systems exceeds the amount of municipal water required by the plant (gpm). Municipal Water Availability accounts for all existing and planned future uses. An agreement or permit for the usage amount can be obtained from the municipality.
Degradation of Water Quality from Plant Effluent Discharges to Municipal Systems.	1	SMALL	Municipal Systems' Available Capacity to Receive and Treat Plant Effluent accounts for all existing and reasonably foreseeable future discharges. Agreement to discharge to a municipal treatment system is obtainable.
Operation: Surface Water Use Conflicts during Operation due to Water Withdrawal from Flowing Waterbodies.	1	SMALL	Total plant water demand is less than or equal to a daily average of 6,000 gpm (0.379 m ³ /s). Average plant water withdrawals do not reduce discharge from the flowing water body by more than 3 percent of the 95 percent exceedance daily flow and do not prevent the maintenance of applicable instream flow requirements. The 95 percent exceedance flow accounts for existing and planned future withdrawals. Water availability is demonstrated by the ability to obtain a withdrawal permit issued by State, regional, or Tribal governing authorities. Water rights for the withdrawal amount are obtainable, if needed.
Surface Water Use Conflicts during Operation due to Water Withdrawal from Non-flowing Waterbodies.	1	SMALL	Total plant water demand is less than or equal to a daily average of 6,000 gpm (0.379 m ³ /s). Water availability of the Great Lakes, the Gulf of America, oceans, estuaries, and intertidal zones exceeds the amount of water required by the plant. Water availability is demonstrated by the ability to obtain a withdrawal permit issued by State, regional, or Tribal governing authorities. Water rights for the withdrawal amount are obtainable, if needed. Coastal Zone Management Act of 1972 (16 U.S.C. 1451 <i>et seq.</i>) consistency determination is obtainable, if applicable.
Groundwater Use Conflicts Due to Building Foundation Dewatering.	1	SMALL	The long-term dewatering withdrawal rate is less than or equal to 50 gpm (0.003 m ³ /s) (the initial rate may be larger). Dewatering results in negligible groundwater level drawdown at the site boundary.
Groundwater Use Conflicts Due to Groundwater Withdrawals for Plant Uses.	1	SMALL	Groundwater withdrawal for all plant uses (excluding dewatering) is less than or equal to 50 gpm (0.003 m ³ /s). Withdrawal results in no more than 1 ft (0.3 m) of groundwater level drawdown at the site boundary. Withdrawals are not derived from an EPA-designated SSA, or from any aquifer designated by a State, Tribe, or regional authority to have special protections to limit drawdown. Withdrawals meet any applicable State or local permit requirements.
Surface Water Quality Degradation Due to Physical Effects from Operation of Intake and Discharge Structures.	1	SMALL	Total plant water demand is less than or equal to a daily average of 6,000 gpm (0.379 m ³ /s). Adhere to best available technology requirements of CWA 316(b) (33 U.S.C. 1326). Operated in compliance with CWA section 316(b) and 40 CFR 125.83, including compliance with monitoring and recordkeeping requirements in 40 CFR 125.87 and 40 CFR 125.88, respectively (40 CFR part 125). Best available technologies are employed in the design and operation of intake and discharge structures to minimize alterations due to scouring, sediment transport, increased turbidity, and erosion. Adherence to requirements in NPDES permits issued by the EPA or a given State. If water is obtained from a flowing water body, then the following PPE/SPE parameter and associated value also apply: The average rate of plant withdrawal does not exceed 3 percent of the 95 percent exceedance daily flow for the water body. If water is obtained from a non-flowing water body, then the following PPE/SPE parameters and associated values and assumptions also apply: Water availability of the Great Lakes, the Gulf of America, oceans, estuaries, and intertidal zones exceeds the amount of water required by the plant.
Surface Water Quality Degradation Due to Changes in Salinity Gradients Resulting from Withdrawals.	1	SMALL	Total plant water demand is less than or equal to a daily average of 6,000 gpm (0.379 m ³ /s). If water is obtained from a flowing water body, then the following PPE/SPE parameter and associated assumptions also apply: Average plant water withdrawals do not reduce discharge from the flowing water body by more than 3 percent of the 95 percent exceedance daily flow and do not prevent the maintenance of applicable instream flow requirements. The 95 percent exceedance flow accounts for existing and planned future withdrawals. Water availability is demonstrated by the ability to obtain a withdrawal permit issued by State, regional, or Tribal governing authorities. Water rights for the withdrawal amount are obtainable, if needed. If withdrawals are from an estuary or intertidal zone, then changes to salinity gradients are within the normal tidal or seasonal movements that characterize the water body. If water is obtained from a non-flowing water body, then the following PPE/SPE parameter and associated values and assumptions also apply: Water availability of the Great Lakes, the Gulf of America, oceans, estuaries, and intertidal zones exceeds the amount of water required by the plant. Water availability is demonstrated by the ability to obtain a withdrawal permit issued by State, regional, or Tribal governing authorities. Water rights for the withdrawal amount are obtainable, if needed. If withdrawals are from an estuary or intertidal zone, then changes to salinity gradients are within the normal tidal or seasonal movements that characterize the water body.
Surface Water Quality Degradation Due to Chemical and Thermal Discharges.	2	Undetermined	The NRC determined that a generic analysis to determine operational impacts on surface water quality due to chemical and thermal discharges was not possible because (1) some States may impose effluent constituent limitations more stringent than those required by the EPA, (2) limitations imposed on effluent constituents may vary among States, and (3) the establishment of a mixing zone may be required. Because all of these issues related to degradation of surface water quality from chemical and thermal discharges require consideration of project-specific information, a project-specific assessment should be performed in the supplemental environmental impact statement.

TABLE C-1—SUMMARY OF FINDINGS ON ENVIRONMENTAL ISSUES FOR ISSUING A PERMIT OR LICENSE FOR A NEW NUCLEAR REACTOR ¹—Continued

Issue	Category ²	Finding ³	Plant parameter envelope/site parameter envelope values and assumptions ⁴
Groundwater Quality Degradation Due to Plant Discharges.	1	SMALL	The plant is outside the recharge area for any EPA-designated SSA, or any aquifer designated to have special protections by a State, Tribal, or regional authority. The plant is outside the wellhead protection area or designated contributing area for any public water supply well. There are no planned discharges to the subsurface (by infiltration or injection).
Water Quality Degradation due to Inadvertent Spills and Leaks during Operation.	1	SMALL	Applicable requirements and guidance on spill prevention and control are followed, including relevant BMPs and IPPPs. There are no planned discharges to the subsurface (by infiltration or injection), including stormwater discharge. A groundwater protection program conforming to currently applicable industry guidance is established and followed. The site size is 100 ac (40.5 ha) or less. Use of BMPs for soil erosion, sediment control, and stormwater management. Adherence to requirements in NPDES permits issued by the EPA or a given State, and any other applicable permits.
Water Quality Degradation due to Groundwater Withdrawals.	1	SMALL	The long-term dewatering withdrawal rate is less than or equal to 50 gpm (0.003 m ³ /s) (the initial rate may be larger). Dewatering results in negligible groundwater level drawdown at the site boundary. Groundwater withdrawal for all plant uses (excluding dewatering) is less than or equal to 50 gpm (0.003 m ³ /s). Withdrawal results in no more than 1 ft (0.3 m) of groundwater level drawdown at the site boundary. Withdrawals are not derived from an EPA-designated SSA, or from any aquifer designated by a State, Tribe, or regional authority to have special protections to limit drawdown. Withdrawals meet any applicable State or local permit requirements.
Water Use Conflict from Plant Municipal Water Demand.	1	SMALL	Usage amount is within the existing capacity of the system(s), accounting for all existing and planned future uses. An agreement or permit for the usage amount can be obtained from the municipality.
Degradation of Water Quality from Plant Effluent Discharges to Municipal Systems.	1	SMALL	Municipal Systems' Available Capacity to Receive and Treat Plant Effluent accounts for all existing and reasonably foreseeable future discharges. Agreement to discharge to a municipal treatment system is obtainable.
Terrestrial Ecology			
Construction: Permanent and Temporary Loss, Conversion, Fragmentation, and Degradation of Habitats.	1	SMALL	The permanent footprint of disturbance would include 30 ac (12.1 ha) or less of vegetated lands, and the temporary footprint of disturbance would include no more than an additional 20 ac (8.1 ha) or less of vegetated lands. Temporarily disturbed lands would be revegetated using regionally indigenous vegetation once the lands are no longer needed to support building activities. New offsite ROWs for transmission lines, pipelines, or access roads would be no more than 100 ft (30.5 m) in width and total no more than 1 mi (1.6 km) in length. The footprint of disturbance (permanent and temporary) would contain no ecologically sensitive features such as floodplains, shorelines, riparian vegetation, late-successional vegetation, land specifically designated for conservation, or habitat known to be potentially suitable for one or more Federal or State threatened or endangered species. Total wetland impacts from use of the site and any offsite ROWs would be no more than 0.5 ac (0.2 ha). Applicants would demonstrate an effort to minimize fragmentation of terrestrial habitats by using existing ROWs, or widening existing ROWs, to the extent practicable. BMPs would be used for erosion, sediment control, and stormwater management.
Permanent and Temporary Loss and Degradation of Wetlands.	1	SMALL	Applicant would provide a delineation of potentially impacted wetlands, including wetlands not under CWA jurisdiction. Total wetland impacts from use of the site and any offsite ROWs would be no more than 0.5 ac (0.2 ha). If activities regulated under the CWA are performed, those activities would receive approval under one or more nationwide permits (NWPs) (33 CFR part 330) or other general permits recognized by the U.S. Army Corps of Engineers. Temporary groundwater withdrawals for excavation or foundation dewatering would not exceed a long-term rate of 50 gpm (0.003 m ³ /s). Applicants would be able to demonstrate that the temporary groundwater withdrawals would not substantially alter the hydrology of wetlands connected to the same groundwater resource. Any required State or local permits for wetland impacts would be obtained. Any mitigation measures indicated in the NWPs or other permits would be implemented. BMPs would be used for erosion, sediment control, and stormwater management.
Effects of Building Noise on Wildlife	1	SMALL	Noise generation would not exceed 85 A-weighted decibels [dBA] 50 ft (15.2 m) from the source.
Effects of Vehicular Collisions on Wildlife.	1	SMALL	The site size would be 100 ac (40.5 ha) or less. The permanent footprint of disturbance would include 30 ac (12.1 ha) or less of vegetated lands, and the temporary footprint of disturbance would include no more than an additional 20 ac (8.1 ha) or less of vegetated lands. There would be no decreases in the LOS designation for affected roadways. The licensee would communicate with Federal and State wildlife agencies and implement mitigation actions recommended by those agencies to reduce potential for vehicular injury to wildlife.
Bird Collisions and Injury from Structures and Transmission Lines.	1	SMALL	The site size would be 100 ac (40.5 ha) or less. New offsite ROWs for transmission lines, pipelines, or access roads would be no more than 100 ft (30.5 m) in width and total no more than 1 mi (1.6 km) in length. No transmission line structures (poles or towers) would be more than 100 ft (30.5 m) in height. Licensees would implement common mitigation measures such as those provided by the American Bird Conservancy for buildings, by the U.S. Fish and Wildlife Service (FWS) for towers, and by the Avian Power Line Interaction Committee (APLIC) for transmission lines.
Important Species and Habitats—Resources Regulated under the Endangered Species Act of 1973 (ESA; 16 U.S.C. 1531 <i>et seq.</i>).	2	Undetermined	The NRC is unable to determine the significance of potential impacts without consideration of project-specific factors, including the specific species and habitats affected and the types of ecological changes potentially resulting from each specific licensing action.

TABLE C-1—SUMMARY OF FINDINGS ON ENVIRONMENTAL ISSUES FOR ISSUING A PERMIT OR LICENSE FOR A NEW NUCLEAR REACTOR ¹—Continued

Issue	Category ²	Finding ³	Plant parameter envelope/site parameter envelope values and assumptions ⁴
Important Species and Habitats—Other Important Species and Habitats.	1	SMALL	Applicants would communicate with State natural resource or conservation agencies regarding wildlife and plants and implement mitigation recommendations of those agencies.
Operation: Permanent and Temporary Loss or Disturbance of Habitats.	1	SMALL	Temporarily disturbed lands would be revegetated using regionally indigenous vegetation once the lands are no longer needed to support building activities. The total wetland loss from site disturbance over the operational life of the plant would be no more than 0.5 ac (0.2 ha). Any State or local permits for wetland impacts would be obtained. Any mitigation measures indicated in the NWP or other wetland permits would be implemented. BMPs would be used for erosion, sediment control, and stormwater management.
Effects of Operational Noise on Wildlife	1	SMALL	Noise generation would not exceed 85 dBA 50 ft (15.2 m) from the source. There would be no decreases in the LOS designation for affected roadways. The licensee would communicate with Federal and State wildlife agencies and implement mitigation actions recommended by those agencies to reduce potential for vehicular injury to wildlife.
Effects of Vehicular Collisions on Wildlife.	1	SMALL	Noise generation would not exceed 85 dBA 50 ft (15.2 m) from the source. There would be no decreases in the LOS designation for affected roadways. The licensee would communicate with Federal and State wildlife agencies and implement mitigation actions recommended by those agencies to reduce potential for vehicular injury to wildlife.
Exposure of Terrestrial Organisms to Radionuclides.	1	SMALL	Applicants would demonstrate in their application that any radiological nonhuman biota doses would be below International Atomic Energy Agency (IAEA) and National Council on Radiation Protection and Measurements (NCRP) guidelines.
Cooling-Tower Operational Impacts on Vegetation.	1	SMALL	If needed, cooling towers would be mechanical draft, not natural draft; less than 100 ft (30.5 m) in height; and equipped with drift eliminators. Any makeup water for the cooling towers would be fresh water (less than 1 ppt salinity).
Bird Collisions and Injury from Structures and Transmission Lines.	1	SMALL	The site size would be 100 ac (40.5 ha) or less. New offsite ROWs for transmission lines, pipelines, or access roads would be no more than 100 ft (30.5 m) in width and total no more than 1 mi (1.6 km) in length. No transmission line structures (poles or towers) would be more than 100 ft (30.5 m) in height. Licensees would implement common mitigation measures such as those provided by the American Bird Conservancy for buildings, by the FWS for towers, and by the APLIC for transmission lines.
Bird Electrocutions from Transmission Lines.	1	SMALL	New offsite ROWs for transmission lines, pipelines, or access roads would be no more than 100 ft (30.5 m) in width and total no more than 1 mi (1.6 km) in length. Common mitigation measures, such as those recommended by APLIC, would be implemented.
Water Use Conflicts with Terrestrial Resources.	1	SMALL	Total plant water demand would be less than or equal to a daily average of 6,000 gpm (0.379 m ³ /s). If water is withdrawn from flowing water bodies, average plant water withdrawals would not reduce flow by more than 3 percent of the 95 percent exceedance daily flow and would not prevent maintenance of applicable instream flow requirements. Any water withdrawals would be in compliance with any EPA or State permitting requirements. Applicants would be able to demonstrate that hydroperiod changes are within historical or seasonal fluctuations.
Effects of Transmission Line ROW Management on Terrestrial Resources.	1	SMALL	Vegetation in transmission line ROWs would be managed following a plan consisting of integrated vegetation management practices. All ROW maintenance work would be performed in compliance with all applicable laws and regulations. Herbicides would be applied by licensed applicators, and only if in compliance with applicable manufacturer label instructions.
Effects of Electromagnetic Fields on Flora and Fauna.	1	SMALL	Based on the literature review in the License Renewal Generic Environmental Impact Statement (LR GEIS), the NRC determined that this is a Category 1 issue and impacts would be SMALL regardless of the length, location, or size of the transmission lines. The NRC did not recommend any mitigation in the LR GEIS; hence, none is needed here. The NRC did not rely on any PPE and SPE values or assumptions in reaching this conclusion.
Important Species and Habitats—Resources Regulated under the ESA of 1973.	2	Undetermined	The NRC is unable to determine the significance of potential impacts without consideration of project-specific factors, including the specific species and habitats affected and the types of ecological changes potentially resulting from each specific licensing action.
Important Species and Habitats—Other Important Species and Habitats.	1	SMALL	Applicants would communicate with State natural resource or conservation agencies regarding wildlife and plants and implement mitigation recommendations of those agencies.
Aquatic Ecology			
Construction: Runoff and sedimentation from construction areas.	1	SMALL	BMPs would be used for erosion and sediment control. Temporarily disturbed lands would be revegetated using regionally indigenous vegetation once the lands are no longer needed to support building activities.
Dredging and filling aquatic habitats to build intake and discharge structures.	1	SMALL	Applicant would obtain approval, if required, under NWP 7 in 33 CFR part 330. Applicant would implement any mitigation required under NWP 7 in 33 CFR part 330. Applicant would minimize any temporarily disturbed shoreline and riparian lands needed to build the intake and discharge structures and restore those areas with regionally indigenous vegetation suited to those landscape settings once the disturbances are no longer needed. BMPs would be used for erosion and sediment control.

TABLE C-1—SUMMARY OF FINDINGS ON ENVIRONMENTAL ISSUES FOR ISSUING A PERMIT OR LICENSE FOR A NEW NUCLEAR REACTOR ¹—Continued

Issue	Category ²	Finding ³	Plant parameter envelope/site parameter envelope values and assumptions ⁴
Building transmission lines, pipelines, and access roads across surface waterbodies.	1	SMALL	If activities regulated under the CWA are performed, they would receive approval under one or more NWP (33 CFR part 330) or other general permits recognized by the U.S. Army Corps of Engineers. Pipelines would be extended under (or over) surface through directional drilling without physically disturbing shorelines or bottom substrate. Access roads would span streams and other surface waterbodies with a bridge or ford, and any fords would include placement and maintenance of matting to minimize physical disturbance of shorelines and bottom substrates. No access roads would be extended across stream channels over 10 ft (3 m) in width (at ordinary high water). Any bridges or fords would be removed once no longer needed, and any exposed soils or substrate would be revegetated using regionally indigenous vegetation appropriate to the landscape setting. Any mitigation measures indicated in the NWPs or other permits would be implemented. BMPs would be used for erosion and sediment control.
Important Species and Habitats—Resources Regulated under the ESA and Magnuson-Stevens Fishery Conservation and Management Act (16 U.S.C.1801 <i>et seq.</i>).	2	Undetermined	The NRC is unable to determine the significance of potential impacts without consideration of project-specific factors, including the specific species and habitats affected and the types of ecological changes potentially resulting from each specific licensing action. Furthermore, the Endangered Species Act (16 U.S.C. 1531 <i>et seq.</i>) and Magnuson-Stevens Fishery Conservation and Management Act (16 U.S.C. 1801 <i>et seq.</i>) require consultations for each licensing action that may affect regulated resources.
Important species and habitats—Other Important Species and Habitats.	1	SMALL	Applicants would communicate with State natural resource or conservation agencies regarding aquatic fish, wildlife, and plants and implement mitigation recommendation of those agencies.
Operation: Stormwater runoff	1	SMALL	Preparation, approval by applicable regulatory agencies, and implementation of a stormwater management plan. Obtaining and compliance with any required permits for the storage and use of hazardous materials issued by Federal and State agencies under Resource Conservation and Recovery Act (RCRA). BMPs would be used for stormwater management.
Exposure of aquatic organisms to radionuclides.	1	SMALL	Applicants would demonstrate in their application that any radiological nonhuman biota doses would be below IAEA and NCRP guidelines.
Effects of refurbishment on aquatic biota.	1	SMALL	BMPs would be used for erosion, sediment control, and stormwater management. Exposed soils would be restored as soon as possible with regionally indigenous vegetation.
Effects of maintenance dredging on aquatic biota.	1	SMALL	If activities regulated under the CWA are performed, those activities would receive approval under one or more NWPs (33 CFR part 330) or other general permits recognized by the U.S. Army Corps of Engineers. Any mitigation measures indicated in the NWPs or other permits would be implemented. BMPs would be used for erosion and sediment control.
Impacts of transmission line ROW management on aquatic resources.	1	SMALL	Vegetation in transmission line ROWs would be managed following a plan consisting of integrated vegetation management practices. All ROW maintenance work would be performed in compliance with all applicable laws and regulations. Herbicides would be applied by licensed applicators, and only if in compliance with applicable manufacturer label instructions. BMPs would be used for erosion and sediment control.
Impingement and entrainment of aquatic organisms.	1	SMALL	Intakes would comply with regulatory requirements established by EPA in 40 CFR 125.84 to be protective of fish and shellfish. Best available control technology would be employed in the design of intakes to minimize entrainment and impingement, such as use of screens and intake rates recognized to minimize effects.
Thermal impacts on aquatic biota	2	Undetermined	The NRC would have to first review the discharge plume analysis (as described in section 3.4) and the aquatic biota potentially present before being able to reach a conclusion regarding the possible significance of impacts to that biota.
Other effects of cooling-water discharges on aquatic biota.	2	Undetermined	The NRC would have to first review the discharge plume analysis (as described in section 3.4) and the aquatic biota potentially present before being able to reach a conclusion regarding the possible significance of impacts to that biota.
Water use conflicts with aquatic resources.	1	SMALL	If needed, cooling towers would be mechanical draft, not natural draft; less than 100 ft (30.5 m) in height; and equipped with drift eliminators. Any makeup water for the cooling towers would be fresh water (less than 1 ppt salinity). Total plant water demand would be less than or equal to a daily average of 6,000 gpm (0.379 m ³ /s). If water is withdrawn from flowing waterbodies, average plant water withdrawals would not reduce flow by more than 3 percent of the 95 percent exceedance daily flow and would not prevent maintenance of applicable instream flow requirements. Any water withdrawals would be in compliance with any EPA or State permitting requirements. Applicants would be able to demonstrate that hydroperiod changes are within historical or seasonal fluctuations.
Important Species and Habitats—Resources Regulated under the ESA and Magnuson-Stevens Fishery Conservation and Management Act.	2	Undetermined	The NRC is unable to determine the significance of potential impacts without consideration of project-specific factors, including the specific species and habitats affected and the types of ecological changes potentially resulting from each specific licensing action. Furthermore, the Endangered Species Act (16 U.S.C. 1531 <i>et seq.</i>) and Magnuson-Stevens Fishery Conservation and Management Act (16 U.S.C. 1801 <i>et seq.</i>) require consultations for each licensing action that may affect regulated resources.
Important species and habitats—Other Important Species and Habitats.	1	SMALL	Applicants would communicate with State natural resource or conservation agencies regarding aquatic fish, wildlife, and plants and implement mitigation recommendations of those agencies.
Historic and Cultural Resources			
Construction:			

TABLE C-1—SUMMARY OF FINDINGS ON ENVIRONMENTAL ISSUES FOR ISSUING A PERMIT OR LICENSE FOR A NEW NUCLEAR REACTOR ¹—Continued

Issue	Category ²	Finding ³	Plant parameter envelope/site parameter envelope values and assumptions ⁴
Construction impacts on historic and cultural resources.	2	Undetermined	Impacts on historic and cultural resources are analyzed on a project-specific basis. The NRC will perform a National Environmental Policy Act (NEPA) analysis and a National Historic Preservation Act (NHPA) Section 106 consultation as required, in accordance with 36 CFR part 800, including consultation with the State and Tribal Historic Preservation Officers, Indian Tribes, and other interested parties.
Operation: Operation impacts on historic and cultural resources.	2	Undetermined	Impacts on historic and cultural resources are analyzed on a project-specific basis. The NRC will perform a National Environmental Policy Act (NEPA) analysis and a National Historic Preservation Act (NHPA) Section 106 consultation as required, in accordance with 36 CFR part 800, including consultation with the State and Tribal Historic Preservation Officers, Indian Tribes, and other interested parties.
Environmental Hazards—Radiological Environment			
Construction: Radiological dose to construction workers.	1	SMALL	For protection against radiation, the applicant must meet the regulatory requirements of: —10 CFR 20.1101 Radiation Protection Programs if issued a license —10 CFR 20.1201 Occupational dose limits for adults 10 CFR 20.1301 Dose limits for individual members of the public —Appendix B to 10 CFR part 20 Annual Limits on Intake (ALIs) and Derived Air Concentrations (DACs) of Radionuclides for Occupational Exposure; Effluent Concentrations; Concentrations for Release to Sewerage —10 CFR 50.34a Design objectives for equipment to control releases of radioactive material in effluents—nuclear power reactors —10 CFR 50.36a. Technical specifications on effluents from nuclear power reactors Application contains sufficient technical information for the staff to complete the detailed technical safety review. Application will be found to be in compliance by the NRC with the above regulations through a radiation protection program and an effluent release monitoring program.
Operation: Occupational doses to workers	1	SMALL	For protection against radiation, the applicant must meet the regulatory requirements of: —10 CFR 20.1101 Radiation Protection Programs if issued a license —10 CFR 20.1201 Occupational dose limits for adults —Appendix B of 10 CFR part 20 Annual Limits on Intake (ALIs) and Derived Air Concentrations (DACs) of Radionuclides for Occupational Exposure; Effluent Concentrations; Concentrations for Release to Sewerage —10 CFR 50.34a Design objectives for equipment to control releases of radioactive material in effluents—nuclear power reactors —10 CFR 50.36a Technical specifications on effluents from nuclear power reactors. Application contains sufficient technical information for the staff to complete the detailed technical safety review. Application will be found to be in compliance by the NRC with the above regulations through a radiation protection program and an effluent release monitoring program.
Maximally exposed individual annual doses.	1	SMALL	For protection against radiation, the applicant must meet the regulatory requirements of: —10 CFR 20.1101 Radiation Protection Programs if issued a license —10 CFR 20.1301 Dose limits for individual members of the public —Appendix B of 10 CFR part 20 ALIs and DACs of Radionuclides for Occupational Exposure; Effluent Concentrations; Concentrations for Release to Sewerage —10 CFR 50.34a Design objectives for equipment to control releases of radioactive material in effluents—nuclear power reactors —10 CFR 50.36a Technical specifications on effluents from nuclear power reactors. Application contains sufficient technical information for the staff to complete the detailed technical safety review. Application will be found to be in compliance by the NRC with the above regulations through a radiation protection program and an effluent release monitoring program.
Total population annual doses	1	SMALL	For protection against radiation, the applicant must meet the regulatory requirements of: —10 CFR 20.1101 Radiation Protection Programs if issued a license —10 CFR 20.1301 Dose limits for individual members of the public —Appendix B of 10 CFR part 20 ALIs and DACs of Radionuclides for Occupational Exposure; Effluent Concentrations; Concentrations for Release to Sewerage —10 CFR 50.34a Design objectives for equipment to control releases of radioactive material in effluents—nuclear power reactors —10 CFR 50.36a Technical specifications on effluents from nuclear power reactors. Application contains sufficient technical information for the staff to complete the detailed technical safety review. Application will be found to be in compliance by the NRC with the above regulations through a radiation protection program and an effluent release monitoring program.
Nonhuman biota doses	1	SMALL	Applicants would demonstrate in their application that any radiological nonhuman biota doses would be below IAEA and NCRP guidelines.
Environmental Hazards—Nonradiological Environment			
Construction:			

TABLE C-1—SUMMARY OF FINDINGS ON ENVIRONMENTAL ISSUES FOR ISSUING A PERMIT OR LICENSE FOR A NEW NUCLEAR REACTOR ¹—Continued

Issue	Category ²	Finding ³	Plant parameter envelope/site parameter envelope values and assumptions ⁴
Building impacts of chemical, biological, and physical nonradiological hazards.	1	SMALL	The applicant must adhere to all applicable Federal, State, local or Tribal regulatory limits and permit conditions for chemical hazards, biological hazards, and physical hazards. The applicant will follow nonradiological public and occupational health BMPs and mitigation measures, as appropriate.
Building impacts of electromagnetic fields (EMFs).	N/A	Uncertain	Studies of 60 hertz [Hz] EMFs have not uncovered consistent evidence linking harmful effects with field exposures. Because the state of the science is currently uncertain, no generic conclusion on human health impacts is possible. If, in the future, the Commission finds scientific information sufficient to draw conclusions about potential human health impacts, the Commission may require applicants to submit plant-specific reviews of these health effects as part of their application. Until such time, applicants are not required to submit information about this issue.
Operation: Operation impacts of chemical, biological, and physical nonradiological hazards.	1	SMALL	The applicant must adhere to all applicable Federal, State, local or Tribal regulatory limits and permit conditions for chemical hazards, biological hazards, and physical hazards. The applicant will follow nonradiological public and occupational health BMPs and mitigation measures, as appropriate.
Operation impacts of EMFs	N/A	Uncertain	Studies of 60 Hz EMFs have not uncovered consistent evidence linking harmful effects with field exposures. Because the state of the science is currently uncertain, no generic conclusion on human health impacts is possible. If, in the future, the Commission finds scientific information sufficient to draw conclusions about potential human health impacts, the Commission may require applicants to submit plant-specific reviews of these health effects as part of their application. Until such time, applicants are not required to submit information about this issue.
Noise			
Construction: Construction-related noise	1	SMALL	The noise level would be no more than 65 dBA at site boundary, unless a relevant State or local noise abatement law or ordinance sets a different threshold, which would then be the presumptive threshold for PPE purposes. If an applicant cannot meet the 65 dBA threshold through mitigation, then the applicant must obtain a variance or exception with the relevant State or local regulator. The project would implement BMPs, such as modeling, foliage planting, construction of noise buffers, and the timing of construction and/or operation activities.
Operation: Operation-related noise	1	SMALL	The noise level would be no more than 65 dBA at site boundary, unless a relevant State or local noise abatement law or ordinance sets a different threshold, which would then be the presumptive threshold for PPE purposes. If an applicant cannot meet the 65 dBA threshold through mitigation, then the applicant must obtain a variance or exception with the relevant State or local regulator. The project would implement BMPs, such as modeling, foliage planting, construction of noise buffers, and the timing of construction and/or operation activities.
Waste Management—Radiological Waste Management			
Operation: Low-level radioactive waste (LLRW)	1	SMALL	Applicants must meet the regulatory requirements of 10 CFR part 20 (<i>e.g.</i> , 10 CFR 20.1406 and subpart K), 10 CFR part 61, 10 CFR part 71, and 10 CFR part 72. Quantities of LLRW generated at a new nuclear reactor would be less than the quantities of LLRW generated at existing nuclear power plants, which generate an average of 21,200 cubic feet [ft ³] (600 cubic meters [m ³]) and 2,000 curies [Ci] (7.4 × 10 ¹³ becquerels [Bq]) per year for boiling water reactors and half that amount for pressurized water reactors.
Onsite spent nuclear fuel management	1	SMALL	Compliance with 10 CFR part 72.
Mixed waste	1	SMALL	RCRA Small Quantity Generator for Mixed Waste.
Waste Management—Nonradiological Waste Management			
Construction: Construction nonradiological waste	1	SMALL	The applicant must meet all the applicable permit conditions, regulations, and BMPs related to solid, liquid, and gaseous waste management. For hazardous waste generation, applicants must meet conformity with hazardous waste quantity generation levels in accordance with RCRA. For sanitary waste, applicants must dispose of sanitary waste in a permitted process. For mitigation measures, the applicant would perform mitigation measures to the extent practicable, such as recycling, process improvements, or the use of a less hazardous substance.
Operation: Operation nonradiological waste	1	SMALL	The applicant must meet all the applicable permit conditions, regulations, and BMPs related to solid, liquid, and gaseous waste management. For hazardous waste generation, applicants must meet conformity with hazardous waste quantity generation levels in accordance with RCRA. For sanitary waste, applicants must dispose of sanitary waste in a permitted process. For mitigation measures, the applicant would perform mitigation measures to the extent practicable, such as recycling, process improvements, or the use of a less hazardous substance.
Postulated Accidents			
Operation:			

TABLE C-1—SUMMARY OF FINDINGS ON ENVIRONMENTAL ISSUES FOR ISSUING A PERMIT OR LICENSE FOR A NEW NUCLEAR REACTOR ¹—Continued

Issue	Category ²	Finding ³	Plant parameter envelope/site parameter envelope values and assumptions ⁴
Design Basis Accidents Involving Radiological Releases.	1	SMALL	For the exclusion area boundary, the maximum total effective dose equivalent for any 2-hour period during the radioactivity release should be calculated. For the low-population zone, the total effective dose equivalent should be calculated for the duration of the accident release (<i>i.e.</i> , 30 days, or other duration as justified). The above calculations would compare the design basis accident doses with the dose criteria given in regulations related to the application (<i>e.g.</i> , 10 CFR 50.34(a)(1), 10 CFR 52.17(a)(1), and 10 CFR 52.79(a)(1)), standard review plans (<i>e.g.</i> , standard review plan criteria, table 1 in standard review plan section 15.0.3 of NUREG-0800), and regulatory guides, (<i>e.g.</i> , RG 1.183), as applicable.
Accidents Involving Releases of Hazardous Chemicals.	1	SMALL	Reactor inventory of a regulated substance is less than its Threshold Quantity (TQ). TQs are found in 40 CFR 68.130, tables 1, 2, 3, and 4; and Reactor inventory of an extremely hazardous substance is less than its Threshold Planning Quantity (TPQ). TPQs are found in 40 CFR part 355, appendices A and B.
Severe Accidents	1	SMALL	Within the maximum population dose risk 95th confidence bounding value of 9.727×10^3 person-rem per reactor year (<i>i.e.</i> , Indian Point Energy Center Units 2 and 3) specified in the 1996 LR GEIS and demonstrating the utilization of 10 CFR 50.155 or diverse and flexible coping strategies (FLEX) to address mitigation of beyond-design-basis events; or Within the maximum 10- and 150-mile Exposure Index at the 95th confidence bounding value of 1.896×10^4 and 2.864×10^6 , respectively (<i>i.e.</i> , Indian Point Energy Center Units 2 and 3) specified in the 1996 LR GEIS and demonstrating the utilization of 10 CFR 50.155 or FLEX to address mitigation of beyond-design-basis events; or Utilizing the source term from 10 CFR 50.34(a)(1)(ii)(D), or the equivalent 10 CFR 52 regulation, with a non-intact containment or confinement for population density assessments under 10 CFR 100.21(h) to demonstrate a calculated total effective dose equivalent (TEDE) of no greater than 1 rem over a period of 30 days and that no further mitigation is necessary because health effects are shown not to be significant or a new reactor that is co-located with an existing LWR may compare its source terms to demonstrate that the LWR's severe accident risks bounds the new reactor's risks; or Utilizing 10 CFR 50.33(g)(2) to demonstrate there is no plume exposure pathway emergency planning zone where the projected total effective dose equivalent exceeds 1 rem over 96 hours (<i>i.e.</i> , 10 CFR 50.33(g)(2)(i)(A)) and no further mitigation is necessary because health effects are shown not to be significant.
Acts of Terrorism	1	SMALL	The environmental impacts of acts of terrorism and sabotage only need to be addressed if a reactor facility is subject to the jurisdiction of the U.S. Court of Appeals for the Ninth Circuit.
Socioeconomics			
Construction:			
Community Services and Infrastructure	1	SMALL	The housing vacancy rate in the affected economic region does not change by more than 5 percent, or at least 5 percent of the housing stock remains available after accounting for in-migrating construction workers. Student:teacher ratios in the affected economic region do not exceed locally mandated levels after including the school age children of the in-migrating worker families.
Transportation Systems and Traffic	1	SMALL	The LOS determination for affected roadways does not change. Mitigation measures may include implementation of traffic flow management, management of shift-change timing, and encouragement of ride-sharing and use of public transportation options, such that LOS values can be maintained with the increased volumes.
Economic Impacts	1	Beneficial	The economic impacts of construction and operation of a new nuclear reactor are expected to be beneficial; therefore, this is a Category 1 issue. If, during the project-specific environmental review, the NRC determines a detailed analysis of economic costs and benefits is needed for analysis of the range of alternatives considered or relevant to mitigation, the NRC may require further information from the applicant.
Tax Revenue Impacts	1	Beneficial	The tax revenue impacts of construction and operation of a new nuclear reactor are expected to be beneficial; therefore, this is a Category 1 issue. If, during the project-specific environmental review, the NRC determines a detailed analysis of tax revenue costs and benefits is needed for analysis of the range of alternatives considered or relevant to mitigation, the NRC may require further information from the applicant.
Operation:			
Community Services and Infrastructure	1	SMALL	The housing vacancy rate in the affected economic region does not change by more than 5 percent, or at least 5 percent of the housing stock remains available after accounting for in-migrating construction workers. Student:teacher ratios in the affected economic region do not exceed locally mandated levels after including the school age children of the in-migrating worker families.
Transportation Systems and Traffic	1	SMALL	The LOS determination for affected roadways does not change. Mitigation measures may include implementation of traffic flow management, management of shift-change timing, and encouragement of ride-sharing and use of public transportation options, such that LOS values can be maintained with the increased volumes.
Economic Impacts	1	Beneficial	The economic impacts of construction and operation of a nuclear reactor are expected to be beneficial; therefore, this is a Category 1 issue. If, during the project-specific environmental review, the NRC determines a detailed analysis of economic costs and benefits is needed for analysis of the range of alternatives considered or relevant to mitigation, the NRC may require further information from the applicant.

TABLE C-1—SUMMARY OF FINDINGS ON ENVIRONMENTAL ISSUES FOR ISSUING A PERMIT OR LICENSE FOR A NEW NUCLEAR REACTOR ¹—Continued

Issue	Category ²	Finding ³	Plant parameter envelope/site parameter envelope values and assumptions ⁴
Tax Revenue Impacts	1	Beneficial	The tax revenue impacts of construction and operation of a nuclear reactor are expected to be beneficial; therefore, this is a Category 1 issue. If, during the project-specific environmental review, the NRC determines a detailed analysis of tax revenue costs and benefits is needed for analysis of the range of alternatives considered or relevant to mitigation, the NRC may require further information from the applicant.
Fuel Cycle			
Operation:			
Uranium Recovery	1	SMALL	Table S-3 of 10 CFR 51.51 is expected to bound the impacts for new reactor fuels, because of uranium fuel cycle changes since WASH-1248, including: —Increasing use of in situ leach uranium mining has lower environmental impacts than traditional mining and milling methods. —Current light-water reactors (LWRs) are using nuclear fuel more efficiently due to higher levels of fuel burnup resulting in less demand for mining and milling activities. —Less reliance on coal-fired electrical generation plants is resulting in less gaseous effluent releases from electrical generation sources supporting mining and milling activities. Must satisfy the regulatory requirements of 10 CFR part 40, Domestic Licensing of Source Material and 10 CFR part 71, Packaging and Transportation of Radioactive Material.
Uranium Conversion	1	SMALL	Table S-3 of 10 CFR 51.51 is expected to bound the impacts for new reactor fuels because of uranium fuel cycle changes since WASH-1248, including: Current LWRs are using nuclear fuel more efficiently due to higher levels of fuel burnup resulting in less demand for conversion activities. Less reliance on coal-fired electrical generation plants is resulting in less gaseous effluent releases from electrical generation sources supporting conversion activities. Must satisfy the regulatory requirements of 10 CFR part 40, Domestic Licensing of Source Material and 10 CFR part 71, Packaging and Transportation of Radioactive Material, and 10 CFR part 73, Physical Protection of Plants and Materials.
Enrichment	1	SMALL	Table S-3 is expected to bound the impacts for new nuclear reactor fuels, because of uranium fuel cycle changes since WASH-1248, including: Transitioning of U.S. uranium enrichment technology from gaseous diffusion to gas centrifugation, which requires less electrical usage per separative work unit. Current LWRs are using nuclear fuel more efficiently due to higher levels of fuel burnup resulting in less demand for enrichment activities. Less reliance on coal-fired electrical generation plants is resulting in less gaseous effluent releases from electrical generation sources supporting enrichment activities. Must satisfy the regulatory requirements of 10 CFR part 40, Domestic Licensing of Source Material; 10 CFR part 70, Domestic Licensing of Special Nuclear Material; 10 CFR part 71, Packaging and Transportation of Radioactive Material; and 10 CFR part 73, Physical Protection of Plants and Materials.
Fuel Fabrication (excluding metal fuel and liquid-fueled molten salt).	1	SMALL	Table S-3 is expected to bound the impacts for new nuclear reactor fuels, because of uranium fuel cycle changes since WASH-1248, including: Current LWRs are using nuclear fuel more efficiently due to higher levels of fuel burnup resulting in fewer discharged fuel assemblies to be fabricated each year and due to longer time periods between refueling. Less reliance on coal-fired electrical generation plants is resulting in less gaseous effluent releases from electrical generation sources supporting fabrication. Must satisfy the regulatory requirements of 10 CFR part 40, Domestic Licensing of Source Material; 10 CFR part 70, Domestic Licensing of Special Nuclear Material; 10 CFR part 71, Packaging and Transportation of Radioactive Material, and 10 CFR part 73, Physical Protection of Plants and Materials.
Reprocessing	1	SMALL	Table S-3 is expected to bound the impacts for new nuclear reactor fuels, because of uranium fuel cycle changes since WASH-1248, including: Current LWRs are using nuclear fuel more efficiently due to higher levels of fuel burnup resulting in fewer discharged fuel assemblies to be reprocessed each year. Less reliance on coal-fired electrical generation plants is resulting in less gaseous effluent releases from electrical generation sources supporting reprocessing. Reprocessing capacity up to 900 metric tons of uranium [MTU]/yr. Must satisfy the regulatory requirements of 10 CFR part 40, Domestic Licensing of Source Material; 10 CFR part 50, Domestic Licensing of Production and Utilization Facilities; 10 CFR part 70, Domestic Licensing of Special Nuclear Material; 10 CFR part 71, Packaging and Transportation of Radioactive Material; 10 CFR part 72, Licensing Requirements for the Independent Storage of Spent Fuel, High-Level Radioactive Waste, and Reactor-related Greater Than Class C Waste; and 10 CFR part 73, Physical Protection of Plants and Materials.

TABLE C-1—SUMMARY OF FINDINGS ON ENVIRONMENTAL ISSUES FOR ISSUING A PERMIT OR LICENSE FOR A NEW NUCLEAR REACTOR ¹—Continued

Issue	Category ²	Finding ³	Plant parameter envelope/site parameter envelope values and assumptions ⁴
Storage and Disposal of Radiological Wastes.	1	SMALL	Table S-3 is expected to bound the impacts for new nuclear reactor fuels, because of uranium fuel cycle changes since WASH-1248, including: Current LWRs are using nuclear fuel more efficiently due to higher levels of fuel burnup resulting in fewer discharged fuel assemblies to be stored and disposed. Less reliance on coal-fired electrical generation plants is resulting in less gaseous effluent releases from electrical generation sources supporting storage and disposal. Waste and spent fuel inventories, as well as their associated certified spent fuel shipping and storage containers, are not significantly different from what has been considered for LWR evaluations in NUREG-2157. Must satisfy the regulatory requirements of 10 CFR part 40, Domestic Licensing of Source Material; 10 CFR part 70, Domestic Licensing of Special Nuclear Material; 10 CFR part 71, Packaging and Transportation of Radioactive Material; 10 CFR part 72, Licensing Requirements for the Independent Storage of Spent Fuel, High-Level Radioactive Waste, and Reactor-related Greater Than Class C Waste; and 10 CFR part 73, Physical Protection of Plants and Materials.
Transportation of Fuel and Waste			
Operation: Transportation of Unirradiated Fuel	1	SMALL	The maximum annual one-way shipment distance does not exceed 59,160 km (36,760 mi). The annual shipments associated with the one-way shipment distance have been normalized to a net electrical output of 880 megawatts electric [MW(e)], <i>i.e.</i> , 1,100 MW(e) with an 80 percent capacity factor from WASH-1238. The maximum annual round-trip shipment distance does not exceed 118,320 km (73,520 mi). The annual shipments associated with the round-trip shipment distance have been normalized to a net electrical output of 880 MW(e), <i>i.e.</i> , 1,100 MW(e) with an 80 percent capacity factor from WASH-1238.
Transportation of Radioactive Waste ...	1	SMALL	The maximum annual round-trip shipment distance does not exceed 293,145 km (182,152 mi). The annual shipments associated with the round-trip shipment distance have been normalized to a net electrical output of 880 MW(e), <i>i.e.</i> , 1,100 MW(e) with an 80 percent capacity factor and a shipment volume of 2.34 m ³ /shipment from WASH-1238.
Transportation of Irradiated Fuel	1	SMALL	The maximum annual one-way shipment distance does not exceed 505,393 km (314,037 mi). The annual shipments associated with the one-way shipment distance have been normalized to a net electrical output of 880 MW(e), <i>i.e.</i> , 1,100 MW(e) with an 80 percent capacity factor and a shipment capacity of 0.5 MTU/shipment from WASH-1238. The maximum annual round-trip shipment distance does not exceed 1,010,786 km (628,073 mi). The annual shipments associated with the round-trip shipment distance have been normalized to a net electrical output of 880 MW(e), <i>i.e.</i> , 1,100 MW(e) with an 80 percent capacity factor and a shipment capacity of 0.5 MTU/shipment from WASH-1238. A maximum assembly averaged burnup of 80 gigawatt-days [GWd]/MTU for UO ₂ fuel and peak pellet burnup of 133 GWd/MTU for TRI-structural ISOTropic (TRISO) fuel.
Decommissioning			
Decommissioning	1	SMALL	The environmental impacts for the following resource areas were generically addressed in NUREG-0586, Supplement 1, would be limited to operational areas, would not be detectable or destabilizing and are expected to have a negligible effect on the impacts of terminating operations and decommissioning: —Onsite Land Use —Water Use —Water Quality —Air Quality —Aquatic Ecology within the operational area —Terrestrial Ecology within the operational area —Radiological —Radiological Accidents (non-spent-fuel-related) —Occupational Issues —Socioeconomic —Onsite Cultural and Historic Resources for plants where the disturbance of lands beyond the operational areas is not anticipated —Aesthetics —Noise —Transportation —Irretrievable Resource The following issues were not addressed in NUREG-0586, Supplement 1, but have been determined to be Category 1 issues: —Nonradiological waste —Greenhouse Gases
Decommissioning	2	Undetermined	Threatened and endangered species was an issue identified in NUREG-0586, Supplement 1, as requiring a project-specific review. Four conditionally project-specific issues identified in NUREG-0586, Supplement 1, will require a project-specific review if present: —Land use involving offsite areas to support decommissioning activities —Aquatic ecology for activities beyond the licensed operational area —Terrestrial ecology for activities beyond the licensed operational area

TABLE C-1—SUMMARY OF FINDINGS ON ENVIRONMENTAL ISSUES FOR ISSUING A PERMIT OR LICENSE FOR A NEW NUCLEAR REACTOR ¹—Continued

Issue	Category ²	Finding ³	Plant parameter envelope/site parameter envelope values and assumptions ⁴
			—Historic and cultural resources (archaeological, architectural, structural, historic) for activities within and beyond the licensed operational area with no current (<i>i.e.</i>, at the time of decommissioning) evaluation of resources for National Register of Historic Places (NRHP) eligibility Additionally, the following two environmental resource areas are additional decommissioning impacts that require project-specific review: —Climate Change: the effects of climate change are location-specific and cannot, therefore, be evaluated generically (see section 1.3.3.2.2, Category 2 Issues Applying Across Resources, of NUREG-2249) —Cumulative: must be considered on a project-specific basis where impacts would depend on regional resource characteristics, the resource-specific impacts of the project, and the cumulative significance of other factors affecting the resource. (see section 1.3.3.2.2, Category 2 Issues Applying Across Resources, of NUREG-2249).
Issues Applying Across Resources			
Climate Change Impacts on Environmental Resources.	2	Undetermined	The effects of climate change on environmental resources are location-specific and cannot, therefore, be evaluated generically. For example, while climate change may cause many areas to receive less than average annual precipitation, other areas may see an increase in average annual precipitation. Therefore, applicants and the NRC would address the effects of climate change on environmental resources in the environmental documents for new nuclear reactor licensing.
Cumulative Impacts	2	Undetermined	Applications must individually consider the cumulative impacts from past, present, and reasonably foreseeable actions known to occur at specific sites for proposed new nuclear reactors and briefly present those considerations in supplemental NEPA documentation. The staff would address whether these individualized evaluations of potential cumulative impacts alter any of the generic analyses and conclusions relied upon for Category 1 issues. The individualized cumulative impact analyses may also identify opportunities where NRC might rely upon the generic analyses for some Category 1 issues for which certain of the PPE or SPE values and assumptions might be exceeded.
Non-Resource Related Issues			
Purpose and Need	2	Undetermined	Must be described in the environmental report associated with a given application.
Need for Power	2	Undetermined	Must be described in the environmental report associated with a given application.
Site Alternatives	2	Undetermined	Must be described in the environmental report associated with a given application.
Energy Alternatives	2	Undetermined	Must be described in the environmental report associated with a given application.
System Design Alternatives	2	Undetermined	Must be described in the environmental report associated with a given application.

¹ Data supporting this table are contained in NUREG-2249, "Generic Environmental Impact Statement for Licensing of New Nuclear Reactors."

² The categories are defined as follows:

Category 1 issues—environmental issues for which the NRC has been able to make a generic finding of SMALL adverse environmental impacts, or beneficial impacts, provided that the applicant's proposed reactor facility and site meet or are bounded by relevant values and assumptions in the PPE and SPE that support the generic finding for that Category issue.

Category 2 issues—Environmental issues for which a generic finding regarding the environmental impacts cannot be reached because the issue requires the consideration of project-specific information that can only be evaluated once the proposed site is identified. The impact significance (*i.e.*, SMALL, MODERATE, or LARGE) for these issues will be determined in a project-specific evaluation.

N/A—Issues related to exposure to electromagnetic fields (EMFs) for which there is no national scientific agreement regarding adverse health effects.

³ A finding of SMALL impacts means that environmental effects are not detectable or are so minor that they will neither destabilize nor noticeably alter any important attribute of the resource. For the purposes of assessing radiological impacts, the Commission has concluded that those impacts that do not exceed permissible levels in the Commission's regulations are considered SMALL as the term is used in this table. For issues where probability is a key consideration (*i.e.*, accident consequences), probability was a factor in determining significance.

⁴ Because the Category 2 issues require a project-specific review, there are no associated values and assumptions of the plant parameter envelope and site parameter envelope. A brief summary explanation for the designation of the Category 2 issues is provided in lieu of values and assumptions.

For the Nuclear Regulatory Commission.

Dated: April 22, 2026.

Carrie Safford,

Secretary of the Commission.

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Part IV

The President

Presidential Determination No. 2026-06 of April 8, 2026—Eligibility of the Board of Peace To Receive Defense Articles and Defense Services Under the Foreign Assistance Act of 1961 and the Arms Export Control Act

Presidential Documents

Title 3—

Presidential Determination No. 2026–06 of April 8, 2026

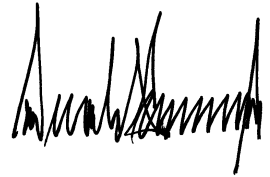
The President

Eligibility of the Board of Peace To Receive Defense Articles and Defense Services Under the Foreign Assistance Act of 1961 and the Arms Export Control Act

Memorandum for the Secretary of State

By the authority vested in me as President by the Constitution and the laws of the United States of America, including section 503(a) of the Foreign Assistance Act of 1961 and section 3(a)(1) of the Arms Export Control Act, I hereby find that the furnishing of defense articles and defense services to the Board of Peace will strengthen the security of the United States and promote world peace.

You are authorized and directed to transmit this determination and the accompanying memorandum of justification to the Congress and publish this determination in the *Federal Register*.



THE WHITE HOUSE,
Washington, April 8, 2026

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