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SUPPLEMENTARY INFORMATION: On December 14, 1994 (59 FR 64303), the EPA promulgated regulations requiring sources to achieve emission limits reflecting application of the maximum achievable control technology (MACT) consistent with section 112 of the Clean Air Act (Act). The final rule regulates all hazardous air pollutants (HAP) identified in the Act's list of 189 HAP that are emitted from new and existing bulk gasoline terminals and pipeline breakout stations at plant sites that are major sources of HAP. On February 8, 1995 (60 FR 7627), the Office of the Federal Register made three corrections to the regulatory text in the final rule. Today, four additional corrections are being made to correct and clarify requirements in the National Emission Standards for Gasoline Distribution Facilities (Bulk Gasoline Terminals and Pipeline Breakout Stations).

The affected public has requested that the EPA clarify the date of compliance for testing, reporting, and recordkeeping requirements for reducing vapor leakage from gasoline cargo tanks (tank trucks and railcars) loading at major source bulk gasoline terminals affected by this rule. The regulatory text provided compliance dates for the equipment that collects and processes the vapor displaced from cargo tanks and inadvertently did not specify compliance dates for the cargo tank leak testing, reporting, and recordkeeping requirements. The vapor collection and processing equipment requirements in the final rule are required to be met by December 15, 1997 (three years from the effective date) for existing terminals and upon startup for new terminals. The EPA intended that the rule require that all the components of this vapor control system comply during the same compliance period, including cargo tanks. Today's notice is to clarify that the compliance date for both the cargo tank requirements and the other loading rack vapor control requirements occur no later than December 15, 1997 at existing terminals and upon startup at new terminals.

A typographical error was made on an equation in the regulatory text that calculates the minimum allowable final headspace pressure for the nitrogen pressure decay field test for cargo tanks. Additionally, the location of one variable in the subject equation was incorrectly specified. Today's notice corrects the typographical error in both the equation and the location of one of the equation's variables.

Dated: June 15, 1995.

Mary D. Nichols,

Acting Assistant Administrator for Air and Radiation.

The following corrections are being made in the regulatory text for: National Emission Standards for Gasoline Distribution Facilities (Bulk Gasoline Terminals and Pipeline Breakout Stations) published in the **Federal Register** on December 14, 1994 (59 FR 64303).

§ 63.422 [Corrected]

1. In paragraph (b) of § 63.422 on page 64320, column 1, remove the second sentence "Each owner or operator shall comply as expeditiously as practicable, but no later than December 15, 1997 at existing facilities and upon startup for new facilities."

2. In § 63.422 on page 64320, column 1, add a new paragraph (d) as follows: "(d) Each owner or operator shall meet the requirements in all paragraphs of this section as expeditiously as practicable, but no later than December 15, 1997 at existing facilities and upon startup for new facilities."

§ 63.425 [Corrected]

3. The equation in the paragraph (g)(3) of § 63.425 on page 64321, column 3, is revised to read as follows:

$$P_F = 18 \left(\frac{(18 - N)}{18} \right)^{\left(\frac{V_s}{5(V_n)} \right)}$$

4. The reference to Table 2 in paragraph (g)(3) of § 63.425 on page 64322, column 1, first two lines, is revised to read as follows: "column of Table 2 of § 63.425(e)(1), inches H₂O."

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BILLING CODE 6560-50-P

40 CFR Part 70

[AD-FRL-5226-7]

Clean Air Act Final Full Approval of Operating Permits Program; State of South Carolina

AGENCY: Environmental Protection Agency (EPA).

ACTION: Final full approval.

SUMMARY: The EPA is promulgating full approval of the Operating Permits Program submitted by the State of South Carolina through the South Carolina Department of Health and Environmental Control (DHEC) for the purpose of complying with Federal requirements for an approvable State program to issue operating permits to all major stationary sources and to certain other sources.

EFFECTIVE DATE: July 26, 1995.

ADDRESSES: Copies of the State's submittal and other supporting information used in developing the final full approval are available for inspection during normal business hours at the following location: U.S. Environmental Protection Agency, Region 4, 345 Courtland Street NE, Atlanta, Georgia 30365, on the 3rd floor of the Tower Building. Interested persons wanting to examine these documents, contained in EPA docket number SC-94-01, should make an appointment at least 24 hours before the visiting day.

FOR FURTHER INFORMATION CONTACT: Kelly Fortin, Title V Program Development Team, Air Programs Branch, Air Pesticides & Toxics Management Division, U.S. EPA Region 4, 345 Courtland Street NE, Atlanta, GA 30365, (404) 347-3555 extension 4223.

SUPPLEMENTARY INFORMATION:

I. Background and Purpose

A. Introduction

Title V of the 1990 Clean Air Act Amendments (sections 501-507 of the Clean Air Act ("the Act")), and implementing regulations at 40 Code of Federal Regulations (CFR) part 70 require that States develop and submit operating permits programs to EPA by November 15, 1993, and that EPA act to approve or disapprove each program within 1 year after receiving the submittal. EPA's program review occurs pursuant to section 502 of the Act and the part 70 regulations, which together outline criteria for approval or disapproval. Where a program substantially, but not fully, meets the requirements of part 70, EPA may grant the program interim approval for a period of up to two years. If EPA has not

fully approved a program by two years after the November 15, 1993 date, or by the end of an interim program, it must establish and implement a Federal program.

On January 24, 1995, EPA proposed full approval of the operating permits program for the State of South Carolina. See 60 FR 4583. The January 24, 1995 notice also proposed approval of South Carolina's interim mechanism for implementing section 112(g) and for delegation of section 112 standards as promulgated. Public comment was solicited on these proposed actions. EPA received five letters commenting on the proposal, which are summarized and addressed below. In this document EPA is taking final action to approve the operating permits program and the 112(g) and 112(l) mechanisms noted above for the State of South Carolina.

II. Final Action and Implications

A. Analysis of State Submission and Response to Public Comments

On January 24, 1995, EPA proposed full approval of the State of South Carolina's Title V Operating Permit Program. See 60 FR 4583. The program elements discussed in the proposed notice are unchanged from the proposed notice and continue to fully meet the requirements of 40 CFR part 70.

All written comments received during the public comment period were reviewed and considered by EPA prior to taking final agency action. EPA received five comment letters that addressed four general issues: (1) the definition of title I modification; (2) the definition of insignificant activities; (3) prompt reporting of deviations; and (4) implementation of section 112(g). EPA's response to the comments and discussion of these issues is given in this section. The original comment letters can be found in the docket for this action, which is available for review at the address given above.

1. Definition of Title I Modification

DHEC regulations contain a definition of the phrase "title I modification" that does not include changes that occur under the State's minor new source review regulations approved into the South Carolina State Implementation Plan (SIP). All five commenters stated that they believed this "narrower" definition contained in the State's rule was the appropriate definition for the implementation of title V.

This issue is discussed in detail in EPA's January 24, 1995 proposal to approve South Carolina's program. See 60 FR 4583. As discussed in that notice, EPA has not yet determined that a

narrower definition of "title I modification" is incorrect and thus a basis for disapproval or interim approval. For further rationale on EPA's position on the determination of what constitutes a "title I modification," see EPA's final interim approval of the State of Washington's part 70 operating permits program (59 FR 55813, November 9, 1994).

For the reasons discussed in the proposal, EPA is approving South Carolina's use of a narrower definition of "title I modification" at this time. However, should EPA make a final determination that such a narrow definition of "title I modification" is incorrect, South Carolina will be required to revise their regulations so that they are consistent with the federal definition, and EPA may propose further action on South Carolina's program so that the State's definition of "title I modification" could become grounds for interim approval.¹ A state program like South Carolina's that receives full approval of its narrower definition pending completion of EPA's rulemaking must ultimately be placed on an equal footing with states that receive interim approval under any revised interim approval criteria because of the same issue. EPA anticipates that any action to convert the full approval to an interim approval would be affected through an additional rulemaking, so as to ensure that there is adequate notice of change in the approval status and applicability requirements.

2. Definition of Insignificant Activities

One commenter stated that South Carolina's exemption list for insignificant activities is too restrictive and that by proposing "acceptable" levels to other states, EPA is improperly directing the adoption of arbitrarily low emission caps to define insignificant activities that clearly restricts permitting authority discretion.

In this action, EPA is approving the process established by DHEC to determine insignificant activities and emissions levels (South Carolina's Regulation 61-62.70.5(c)). DHEC had discretion to propose emission levels other than those used by other states and may adopt a program more stringent than any proposed by EPA. EPA disagrees that it is inappropriate for the Agency to provide guidance or

suggested emission levels to state and local agencies.

3. "Prompt" Reporting of Deviations From Permit Limits

EPA received three comments that argued that state programs need not define "prompt" reporting deviations in their regulations and disagreed that prompt reporting must be more frequent than semi-annually. The commenters stated that the 24 hour limitation DHEC has committed to include as a standard permit condition is too restrictive and the permits should allow at least two working days for reporting, consistent with the time period allowed for emergencies under 40 CFR 70.6(g).

As discussed in EPA's proposed approval of South Carolina's program, part requires prompt reporting of deviations from permit requirements. Section 70.6(a)(3)(iii)(B) requires the permitting requirements. Section 70.6(a)(3)(iii)(B) requires the permitting authority to define prompt in relation to the degree and type of deviation likely to occur and the applicable requirements. Although the permit program regulations should define prompt for purposes of administrative efficiency and clarity, EPA stated in the proposal that an acceptable alternative is to define prompt in each individual permit.

EPA also stated that it believes that "prompt" should generally be defined as requiring reporting within two to ten days of the deviation, but that states could propose alternative time periods that they considered more appropriate. However, prompt reporting must be more frequent than the semiannual reporting requirement under 40 CFR 70.6(a)(3)(iii)(A), which is a distinct reporting obligation.

The State of South Carolina has not defined prompt in its program regulations with respect to reporting of deviations, but has committed to include such a requirement as a standard condition in permits. The state will require notification to the appropriate district office within 24 hours and written notification to the DHEC within 30 days. EPA may veto permits that do not require sufficiently prompt reporting of deviations.

4. Implementation of Section 112(g)

EPA received several comments regarding the proposed approval of the use of South Carolina's preconstruction permitting program for the purpose of implementing section 112(g) during the transition period between title V approval and adoption of a State rule implementing EPA's section 112(g) regulations. The commenters argued

¹ State programs with a narrower "title I modification" definition that were approved by EPA before the Agency decision that such a narrower definition is inappropriate, would be considered deficient, but would be eligible for interim approval under revised 40 CFR 70.4(b).

that South Carolina should not and cannot implement section 112(g) until: (1) EPA has promulgated a section 112(g) regulation, and (2) the State has a section 112(g) program in place. The commenters also argued that South Carolina's preconstruction review program can not serve as a means to implement section 112(g) because it was not designed for that purpose.

EPA's proposal was based in part on an interpretation of the Act that would require sources to comply with section 112(g) beginning on the date of approval of the title V program, regardless of whether EPA had completed its section 112(g) rulemaking. The EPA has since revised this interpretation of the Act in a **Federal Register** notice published on February 14, 1995. See 60 FR 8333. The revised interpretation postpones the effective date of section 112(g) until after EPA has promulgated a rule addressing that provision. The rationale for the revised interpretation is set forth in detail in the above referenced notice.

The section 112(g) interpretive notice explains that EPA is still considering whether the effective date of section 112(g) should be delayed beyond the date of promulgation of the Federal rule so as to allow states time to adopt rules implementing the Federal rule, and that EPA will provide for any such additional delay in the final section 112(g) rulemaking. Unless and until EPA provides for such an additional postponement of section 112(g), South Carolina must have a federally enforceable mechanism for implementing section 112(g) during the period between promulgation of the Federal section 112(g) rule and State adoption of implementing regulations.

EPA is aware that South Carolina lacks a program designed specifically to implement section 112(g). However, South Carolina does have a preconstruction review program that can serve as an adequate implementation vehicle during the transition period because it would allow South Carolina to select control measures that would meet maximum achievable control technology (MACT) and incorporate these measures into a federally enforceable preconstruction permit. South Carolina should be able to impose federally enforceable measures reflecting MACT for most, if not all, changes qualifying as modification, construction, or reconstruction under section 112(g), because most section 112(b) pollutants are also criteria pollutants. Moreover, measures designed to limit criteria pollutant emissions will often have the incidental effect of limiting non-criteria Hazardous Air Pollutants (HAPs). In the situation

where South Carolina's preconstruction permit program cannot be used, the State may utilize its title V permitting program to make any required MACT determinations.

For this reason, EPA is finalizing its approval of the use of South Carolina's preconstruction review program for the purpose of implementing section 112(g) during the transition period between promulgation of the section 112(g) rule and adoption by South Carolina of rules established to implement section 112(g). The scope of this approval is narrowly limited to section 112(g) and does not confer or imply approval for purposes of any other provision under the Act. This approval will be without effect if EPA decides in the final section 112(g) rule that sources are not subject to the requirements of the rule until State regulations are adopted. The duration of this approval is limited to 18 months following promulgation by EPA of the section 112(g) rule in order to provide adequate time for the State to adopt regulations consistent with the Federal requirements.

B. Final Action

EPA is promulgating full approval of the operating permits program submitted to EPA by the State of South Carolina on November 15, 1993. Among other things, the State of South Carolina has demonstrated that the program will be adequate to meet the minimum elements of a state operating permits program as specified in 40 CFR part 70.

The State of South Carolina's part 70 program approved in this document applies to all part 70 sources (as defined in the approved program) within the State of South Carolina, except any sources of air pollution over which an Indian Tribe has jurisdiction. See, e.g., 59 FR 55813, 55815-55818 (Nov. 9, 1994). The term "Indian Tribe" is defined under the Act as "any Indian tribe, band, nation, or other organized group or community, including any Alaska Native village, which is Federally recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians." See section 302(r) of the CAA; see also 59 FR 43956, 43962 (Aug. 25, 1994); 58 FR 54364 (Oct. 21, 1993).

Requirements for approval, specified in 40 CFR 70.4(b), encompass section 112(l)(5) requirements for approval of a program for delegation of section 112 standards as promulgated by EPA as they apply to part 70 sources. Section 112(l)(5) requires that the State's program contain adequate authorities, adequate resources for implementation, and an expeditious compliance

schedule, which are also requirements under part 70. Therefore, EPA is also promulgating full approval under section 112(l)(5) and 40 CFR 63.91 of the State's program for receiving delegation of section 112 standards that are unchanged from Federal standards as promulgated. This program for delegations applies to sources covered by the part 70 program as well as nonpart 70 sources.

III. Administrative Requirements

A. Docket

Copies of the State's submittal and other information relied upon for the final full approval, including the five public comments received on the proposal and reviewed by EPA, are contained in docket number SC-94-01 maintained at the EPA Regional Office. The docket is an organized and complete file of all the information submitted to, or otherwise considered by, EPA in the development of this final full approval. The docket is available for public inspection at the location listed under the ADDRESSES section of this document.

B. Executive Order 12866

The Office of Management and Budget has exempted this action from Executive Order 12866 review.

C. Regulatory Flexibility Act

EPA's actions under section 502 of the Act do not create any new requirements, but simply address operating permits programs submitted to satisfy the requirements of 40 CFR part 70. Because this action does not impose any new requirements, it does not have a significant impact on a substantial number of small entities.

D. Unfunded Mandates

Under Section 202 of the Unfunded Mandates Reform Act of 1995 ("Unfunded Mandates Act"), signed into law on March 22, 1995, EPA must prepare a budgetary impact statement to accompany any proposed or final rule that includes a Federal mandate that may result in estimated costs to State, local, or tribal governments in the aggregate; or to the private sector, of \$100 million or more. Under Section 205, EPA must select the most cost-effective and least burdensome alternative that achieves the objectives of the rule and is consistent with statutory requirements. Section 203 requires EPA to establish a plan for informing and advising any small governments that may be significantly or uniquely impacted by the rule.

EPA has determined that the approval action promulgated today does not

include a Federal mandate that may result in estimated costs of \$100 million or more to either State, local, or tribal governments in the aggregate, or to the private sector. This Federal action approves pre-existing requirements under State or local law, and imposes no new Federal requirements. Accordingly, no additional costs to State, local, or tribal governments, or to the private sector, result from this action.

List of Subjects in 40 CFR Part 70

Environmental protection, Administrative practice and procedure, Air pollution control, Intergovernmental relations, Operating permits, Reporting and recordkeeping requirements.

Dated: June 14, 1995.

Patrick M. Tobin,

Acting Regional Administrator.

Part 70, title 40 of the Code of Federal Regulations is amended as follows:

PART 70—[AMENDED]

1. The authority citation for part 70 continues to read as follows:

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

2. Appendix A to part 70 is amended by adding the entry for South Carolina in alphabetical order to read as follows:

Appendix A to Part 70—Approval Status of State and Local Operating Permits Programs

* * * * *

South Carolina

(a) Department of Health and Environmental Control: submitted on November 12, 1993; full approval effective on July 26, 1995.

(b) (Reserved)

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DEPARTMENT OF HEALTH AND HUMAN SERVICES

Office of Inspector General

42 CFR Part 1001

Health Care Programs: Fraud and Abuse; Technical Revision to the Scope and Effect of the OIG Exclusion Regulations

AGENCY: Office of Inspector General (OIG), HHS.

ACTION: Final rule.

SUMMARY: This document sets forth a technical revision to OIG regulations on program integrity for Medicare and State

Health Care programs, concerning the scope and effect of the OIG's program exclusion regulations. Prior to this revision, the regulations provided that a program exclusion imposed under title XI of the Social Security Act was to affect future participation in all Federal nonprocurement programs. This revision specifically amends the language in the existing regulations to clarify that the scope of an exclusion is now applicable to all Executive Branch procurement and non-procurement programs and activities. This rule is consistent with the Federal Acquisition Streamlining Act, and the Department's Common Rule on debarment and suspension which is also being amended and published elsewhere in this issue of the **Federal Register**.

EFFECTIVE DATE: This regulation is effective on August 25, 1995.

FOR FURTHER INFORMATION CONTACT: Joel J. Schaer, Office of Management and Policy, (202) 619-0089.

SUPPLEMENTARY INFORMATION:

I. Technical Revision to 42 CFR 1001.1901

On January 29, 1992, the Department of Health and Human Services published a final rule (57 FR 3298) governing the Department's exclusion and civil money penalty authorities as established and amended by the Medicare and Medicaid Patient and Program Protection Act of 1987, Public Law 100-93. These authorities have been delegated to the Office of Inspector General (OIG) for implementation. Under these regulations, section 1001.1901—Scope and effect of exclusion—implemented Executive Order 12549 which provides that debarments, suspensions and other exclusionary actions taken by any Federal agency will have governmentwide effect with respect to all nonprocurement programs. Specifically, section 1001.1901 made clear that exclusions from Medicare and the State health care programs under title XI of the Social Security Act (42 U.S.C. 1320a-7) are also applicable with respect to "all other Federal nonprocurement programs."

With the enactment of the Federal Acquisition Streamlining Act (FASA) of 1994, Public Law 103-355, congress mandated and expanded the governmentwide effect of debarments, suspensions and other exclusionary actions to procurement as well as nonprocurement programs and activities. In addition to the amendments to the governmentwide Common Rule necessitated by the enactment of FASA, we are also

specifically codifying in the Department's adoption of the Common Rule that exclusions imposed under title XI of the Social Security Act will have the same governmentwide effect as debarments initiated under the Common Rule, and will be recognized and given effect not only for all Departmental programs but also for all other Executive Branch procurement and nonprocurement programs and activities. In addition, because full due process is provided under the statute and the implementing regulations for those excluded under title XI—including the right to an administrative hearing and judicial review—additional due process under the Common Rule is not necessary nor available to excluded individuals and entities beyond that set forth in parts 1001 and 1005 of 42 CFR chapter V. This amendment to section 1001.1901 is intended to be consistent with the amendment of 45 CFR part 76 codifying the requirements of FASA.

II. Regulatory Impact Statement

The Office of Management and Budget has reviewed this final rule in accordance with the provisions of Executive Order 12866. As indicated above, the revisions contained in this technical rule are intended to clarify that the scope of an OIG exclusion is applicable to all Executive Branch procurement and nonprocurement programs and activities, consistent with FASA and the Department's Common Rule at 45 CFR part 76.

As indicated in the original final rule published on January 29, 1992, the amendments to 42 CFR part 1001, and this subsequent revision, are designed to clarify departmental policy with respect to the imposition of program exclusions upon individuals and entities who violate the statute. We believe that the vast majority of providers and practitioners do not engage in such prohibited activities and practices, and that the aggregate economic impact of these provisions should be minimal, affecting only those few who have engaged in prohibited behavior jeopardizing the Federal health care financing programs and beneficiaries. As such, these regulations should have no direct effect on the economy or on Federal or State expenditures.

In addition, in accordance with the Regulatory Flexibility Act (5 U.S.C. 601 through 612), we certify that this rulemaking will not have a significant economic impact on a substantial number of small entities. While some sanctions may have an impact on small entities, we do not anticipate that a substantial number of these small