

II. 1 TEST MARKETING EXEMPTION NOTICES RECEIVED FROM: 08/13/01 TO 08/24/01

Case No.	Received Date	Projected Notice End Date	Manufacturer/Importer	Use	Chemical
T-01-0012	08/24/01	10/08/01	CBI	(G) Component of coating with an open use	(G) Polymeric acrylic polyol

In table III, EPA provides the following information (to the extent that such information is not claimed as CBI)

on the Notices of Commencement to manufacture received:

III. 16 NOTICES OF COMMENCEMENT FROM: 08/13/01 TO 08/24/01

Case No.	Received Date	Commencement/Import Date	Chemical
P-00-1094	08/14/01	07/27/01	(G) Sodium salt of a naphthalene azo dyestuff
P-00-1173	08/14/01	08/09/01	(G) Bis[(alkoxysilyl)alkyl]polysulfide
P-00-1174	08/14/01	08/09/01	(G) Bis[(alkoxysilyl)alkyl]polysulfide
P-00-1216	08/23/01	07/03/01	(S) Phosphonic acid, 1,12-dodecanediylbis-
P-01-0182	08/14/01	07/06/01	(G) Methacrylate copolymer
P-01-0230	08/22/01	08/01/01	(G) Hydrolyzed silane
P-01-0293	08/17/01	07/17/01	(S) Beta-cyclodextrin, 6-chloro-1,4-dihydro-4-oxo-1,3,5-triazin-2-yl ethers, sodium salts
P-01-0390	08/23/01	07/31/01	(G) 2-5-furandione, polymer with ethene derivative, propyl ester
P-01-0418	08/23/01	08/06/01	(G) Polyurethane
P-01-0423	08/13/01	07/06/01	(G) Substituted benzoic acid
P-01-0430	08/17/01	07/18/01	(G) Polyalkylene oxide benzoate
P-01-0469	08/14/01	08/07/01	(S) 2-propenamide, <i>n</i> -[3-(dimethylamino)propyl]-2-methyl-, polymer with 1-ethenyl-2-pyrrolidone, hydrochloride
P-01-0471	08/20/01	08/04/01	(G) Phosphorus modified epoxy resin
P-01-0501	08/14/01	08/07/01	(G) Polyester acrylate
P-01-0580	08/20/01	08/17/01	(G) Acrylic resin
P-99-0605	08/16/01	07/30/01	(G) Unsaturated polyester resin

List of Subjects

Environmental Protection, Chemicals, Premanufacturer notices.

Dated: September 28, 2001.

Deborah A. Williams,

Acting Director, Information Management Division, Office of Pollution Prevention and Toxics.

[FR Doc. 01-25970 Filed 10-15-01; 8:45 am]

BILLING CODE 6560-50-S

ENVIRONMENTAL PROTECTION AGENCY

[OPPTS-51978; FRL-6807-2]

Certain New Chemicals; Receipt and Status Information

AGENCY: Environmental Protection Agency (EPA).

ACTION: Notice.

SUMMARY: Section 5 of the Toxic Substances Control Act (TSCA) requires any person who intends to manufacture (defined by statute to include import) a new chemical (i.e., a chemical not on the TSCA Inventory) to notify EPA and comply with the statutory provisions pertaining to the manufacture of new

chemicals. Under sections 5(d)(2) and 5(d)(3) of TSCA, EPA is required to publish a notice of receipt of a premanufacture notice (PMN) or an application for a test marketing exemption (TME), and to publish periodic status reports on the chemicals under review and the receipt of notices of commencement to manufacture those chemicals. This status report, which covers the period from August 27, 2001 to September 14, 2001, consists of the PMNs and TMEs, both pending or expired, and the notices of commencement to manufacture a new chemical that the Agency has received under TSCA section 5 during this time period. The "S" and "G" that precede the chemical names denote whether the chemical identity is specific or generic.

DATES: Comments identified by the docket control number OPPTS-51978 and the specific PMN number, must be received on or before November 16, 2001.

ADDRESSES: Comments may be submitted by mail, electronically, or in person. Please follow the detailed instructions for each method as provided in Unit I. of the **SUPPLEMENTARY INFORMATION.** To ensure

proper receipt by EPA, it is imperative that you identify docket control number OPPTS-51978 and the specific PMN number in the subject line on the first page of your response.

FOR FURTHER INFORMATION CONTACT: Barbara Cunningham, Director, Office of Program Management and Evaluation, Office of Pollution Prevention and Toxics (7401), Environmental Protection Agency, 1200 Pennsylvania Ave., NW., Washington, DC 20460; telephone number: (202) 554-1404; e-mail address: TSCA-Hotline@epa.gov.

SUPPLEMENTARY INFORMATION:**I. General Information***A. Does this Action Apply to Me?*

This action is directed to the public in general. As such, the Agency has not attempted to describe the specific entities that this action may apply to. Although others may be affected, this action applies directly to the submitter of the premanufacture notices addressed in the action. If you have any questions regarding the applicability of this action to a particular entity, consult the person listed under **FOR FURTHER INFORMATION CONTACT.**

B. How Can I Get Additional Information, Including Copies of this Document and Other Related Documents?

1. *Electronically.* You may obtain copies of this document and certain other available documents from the EPA Internet Home Page at <http://www.epa.gov/>. On the Home Page select "Laws and Regulations," "Regulations and Proposed Rules, and then look up the entry for this document under the "Federal Register—Environmental Documents." You can also go directly to the **Federal Register** listings at <http://www.epa.gov/fedrgstr/>.

2. *In person.* The Agency has established an official record for this action under docket control number OPPTS-51978. The official record consists of the documents specifically referenced in this action, any public comments received during an applicable comment period, and other information related to this action, including any information claimed as confidential business information (CBI). This official record includes the documents that are physically located in the docket, as well as the documents that are referenced in those documents. The public version of the official record does not include any information claimed as CBI. The public version of the official record, which includes printed, paper versions of any electronic comments submitted during an applicable comment period, any test data submitted by the Manufacturer/Importer is available for inspection in the TSCA Nonconfidential Information Center, North East Mall Rm. B-607, Waterside Mall, 401 M St., SW., Washington, DC. The Center is open from noon to 4 p.m., Monday through Friday, excluding legal holidays. The telephone number of the Center is (202) 260-7099.

C. How and to Whom Do I Submit Comments?

You may submit comments through the mail, in person, or electronically. To ensure proper receipt by EPA, it is imperative that you identify docket control number OPPTS-51978 and the specific PMN number in the subject line on the first page of your response.

1. *By mail.* Submit your comments to: Document Control Office (7407), Office of Pollution Prevention and Toxics (OPPT), Environmental Protection Agency, 1200 Pennsylvania Ave., NW., Washington, DC 20460.

2. *In person or by courier.* Deliver your comments to: OPPT Document Control Office (DCO) in East Tower Rm.

G-099, Waterside Mall, 401 M St., SW., Washington, DC. The DCO is open from 8 a.m. to 4 p.m., Monday through Friday, excluding legal holidays. The telephone number for the DCO is (202) 260-7093.

3. *Electronically.* You may submit your comments electronically by e-mail to: "oppt.ncic@epa.gov," or mail your computer disk to the address identified in this unit. Do not submit any information electronically that you consider to be CBI. Electronic comments must be submitted as an ASCII file avoiding the use of special characters and any form of encryption. Comments and data will also be accepted on standard disks in WordPerfect 6.1/8.0 or ASCII file format. All comments in electronic form must be identified by docket control number OPPTS-51978 and the specific PMN number. Electronic comments may also be filed online at many Federal Depository Libraries.

D. How Should I Handle CBI that I Want to Submit to the Agency?

Do not submit any information electronically that you consider to be CBI. You may claim information that you submit to EPA in response to this document as CBI by marking any part or all of that information as CBI. Information so marked will not be disclosed except in accordance with procedures set forth in 40 CFR part 2. In addition to one complete version of the comment that includes any information claimed as CBI, a copy of the comment that does not contain the information claimed as CBI must be submitted for inclusion in the public version of the official record. Information not marked confidential will be included in the public version of the official record without prior notice. If you have any questions about CBI or the procedures for claiming CBI, please consult the person listed under **FOR FURTHER INFORMATION CONTACT.**

E. What Should I Consider as I Prepare My Comments for EPA?

You may find the following suggestions helpful for preparing your comments:

1. Explain your views as clearly as possible.
2. Describe any assumptions that you used.
3. Provide copies of any technical information and/or data you used that support your views.
4. If you estimate potential burden or costs, explain how you arrived at the estimate that you provide.

5. Provide specific examples to illustrate your concerns.

6. Offer alternative ways to improve the notice or collection activity.

7. Make sure to submit your comments by the deadline in this document.

8. To ensure proper receipt by EPA, be sure to identify the docket control number assigned to this action in the subject line on the first page of your response. You may also provide the name, date, and **Federal Register** citation.

II. Why is EPA Taking this Action?

Section 5 of TSCA requires any person who intends to manufacture (defined by statute to include import) a new chemical (i.e., a chemical not on the TSCA Inventory to notify EPA and comply with the statutory provisions pertaining to the manufacture of new chemicals. Under sections 5(d)(2) and 5(d)(3) of TSCA, EPA is required to publish a notice of receipt of a PMN or an application for a TME and to publish periodic status reports on the chemicals under review and the receipt of notices of commencement to manufacture those chemicals. This status report, which covers the period from August 27, 2001 to September 14, 2001, consists of the PMNs pending or expired, and the notices of commencement to manufacture a new chemical that the Agency has received under TSCA section 5 during this time period.

III. Receipt and Status Report for PMNs

This status report identifies the PMNs, both pending or expired, and the notices of commencement to manufacture a new chemical that the Agency has received under TSCA section 5 during this time period. If you are interested in information that is not included in the following tables, you may contact EPA as described in Unit II. to access additional non-CBI information that may be available. The "S" and "G" that precede the chemical names denote whether the chemical identity is specific or generic.

In table I, EPA provides the following information (to the extent that such information is not claimed as CBI) on the PMNs received by EPA during this period: the EPA case number assigned to the PMN; the date the PMN was received by EPA; the projected end date for EPA's review of the PMN; the submitting manufacturer; the potential uses identified by the manufacturer in the PMN; and the chemical identity.

I. 66 PREMANUFACTURE NOTICES RECEIVED FROM: 08/27/01 TO 09/14/01

Case No.	Received Date	Projected Notice End Date	Manufacturer/Importer	Use	Chemical
P-01-0855	08/27/01	11/25/01	CBI	(G) Hydrophillic modification polymers	(G) Substituted vinyl ether, ethoxylated, propoxylated
P-01-0856	08/27/01	11/25/01	Ethox Chemicals, LLC	(S) Pigment dispersant	(S) Cashew, nutshell liq., ethoxylated
P-01-0857	08/27/01	11/25/01	CBI	(G) Hot melt adhesive	(G) Butanediol alkyloxirane based polymer
P-01-0858	08/27/01	11/25/01	Reichhold, Inc.	(G) Resin for printing inks	(G) Amine salt of epoxy ester, polymer with alkenoic acid, alkenylbenzene and vinyl ester of fatty acid
P-01-0859	08/27/01	11/25/01	CBI	(G) Additive, open, non-dispersive use	(G) Acrylic ester copolymer
P-01-0860	08/27/01	11/25/01	CBI	(G) Additive, open, non-dispersive use	(G) Acrylic ester copolymer
P-01-0861	08/27/01	11/25/01	CBI	(G) Additive, open, non-dispersive use	(G) Acrylic ester copolymer
P-01-0862	08/27/01	11/25/01	CBI	(G) Processing aid	(G) Ethoxylated alkylsulfate, substituted alkylamine salt
P-01-0863	08/28/01	11/26/01	CBI	(S) Polymer is used as a component in a pigmented protective coating (paint)	(S) 1,3-benzenedicarboxylic acid, polymer with 1,4-benzenedicarboxylic acid, 1,3-dihydro-1,3-dioxo-5-isobenzofurancarboxylic acid, 2,2-dimethyl-1,3-propanediol, hexanedioic acid, 1,6-hexanediol and 2-methyl-1,3-propanediol
P-01-0864	08/28/01	11/26/01	CBI	(G) Binder resin	(G) Acrylic polyol
P-01-0865	08/27/01	11/25/01	CBI	(S) Curing agent for epoxy coatings	(G) Ethylene amine aromatic epoxide adduct
P-01-0866	08/27/01	11/25/01	CBI	(S) Curing agent for epoxy coatings	(G) Ethylene amine aromatic epoxide adduct
P-01-0867	08/27/01	11/25/01	Westvaco Corporation - Chemical Division	(S) Modified rosin resin for lithographic inks	(G) Modified rosin polymer, with substituted phenol, paraformaldehyde and pentaerythritol
P-01-0868	08/27/01	11/25/01	Westvaco Corporation - Chemical Division	(S) Modified rosin resin for lithographic inks	(G) Modified rosin polymer, with alkyl phenols, paraformaldehyde and pentaerythritol
P-01-0869	08/28/01	11/26/01	CBI	(G) Destructive use	(G) Acrylic polymer
P-01-0870	08/28/01	11/26/01	CBI	(G) Open, non-dispersive use	(G) Acrylic non-aqueous dispersion
P-01-0871	08/29/01	11/27/01	Pilot Chemical Company	(S) Demulsifier / corrosion inhibitor for industrial lubricants	(G) Alkyl benzene sulfonic acid derivatives, alkyl amine salts
P-01-0872	08/27/01	11/25/01	CBI	(G) Fluid retention polymer	(G) Alkenoic acid, polymer with vinyl alkyl lactam, alkenamide, alkenyl propanesulfonic acid, neutralized.
P-01-0873	08/29/01	11/27/01	CBI	(S) Intermediate in finishing	(G) Aliphatic cyclocarbonate
P-01-0874	08/29/01	11/27/01	3M company	(S) Chemical intermediate	(G) Urethane polymer
P-01-0875	08/29/01	11/27/01	3M company	(G) Coating	(G) Urethane polymer salt
P-01-0876	08/29/01	11/27/01	CBI	(S) Latent curative for epoxy resin formulations	(G) Imidazole phosphate salt
P-01-0877	09/04/01	12/03/01	CBI	(S) Adhesives used for lamination assembly such as panels and walls	(G) Isocyanate terminated polyurethane resin
P-01-0878	09/05/01	12/04/01	Degussa Corporation	(G) Because of their silyl functionality silanes (as dynasylan 9216) are chemical linked to the surface of oh-funtional solids (hydrophobation or reversal of surface polarity)	(S) Silane, hexadecyltriethoxy-
P-01-0879	09/05/01	12/04/01	Mitsubishi Pencil of America	(S) Component in ink used in pens	(S) 2-pyrrolidinone, 1-ethenyl-, trimer
P-01-0880	08/31/01	11/29/01	CBI	(G) Destructive use as a chemical intermediate	(G) Alkoxyated fatty amine
P-01-0881	09/05/01	12/04/01	CBI	(G) Paint remover ingredient	(G) Aliphatic urethane
P-01-0882	09/05/01	12/04/01	CBI	(G) Paint remover ingredient	(G) Aliphatic urethane
P-01-0883	09/05/01	12/04/01	CBI	(G) Paint remover ingredient	(G) Aliphatic urethane
P-01-0884	09/05/01	12/04/01	CBI	(G) Paint remover ingredient	(G) Aliphatic urethane
P-01-0885	09/06/01	12/05/01	CBI	(G) Component in lubricant for metal working applications	(G) Mixed esters of ethoxytriethanolamine polyol, and fatty acids
P-01-0886	09/06/01	12/05/01	CBI	(G) Additive in inks and coatings	(G) Polyester acrylate

I. 66 PREMANUFACTURE NOTICES RECEIVED FROM: 08/27/01 TO 09/14/01—Continued

Case No.	Received Date	Projected Notice End Date	Manufacturer/Importer	Use	Chemical
P-01-0887	09/06/01	12/05/01	CBI	(S) Acid dye for the coloration of anodized aluminum	(G) Chromate, [(substituted)][(substituted)phenyl]azo (substituted naphthalenesulfonato) (substituted hydroxy) [(substituted sulfophenyl)azo](substituted naphthalenesulfonato)], sodium
P-01-0888	09/06/01	12/05/01	CBI	(S) Acid dye for the coloration of anodized aluminum	(G) Chromate, [(substituted)][(substituted)phenyl]azo (substituted naphthalenesulfonato) (substituted hydroxy) [(substituted sulfophenyl)azo](substituted naphthalenesulfonato)], sodium
P-01-0889	09/06/01	12/05/01	CBI	(S) Acid dye for the coloration of anodized aluminum	(G) Chromate, [(substituted)][(substituted)phenyl]azo (substituted naphthalenesulfonato) (substituted hydroxy) [(substituted sulfophenyl)azo](substituted naphthalenesulfonato)], sodium
P-01-0890	09/06/01	12/05/01	CBI	(S) Acid dye for the coloration of anodized aluminum	(G) Chromate, [(substituted)][(substituted)phenyl]azo (substituted naphthalenesulfonato) (substituted hydroxy) [(substituted sulfophenyl)azo](substituted naphthalenesulfonato)], sodium
P-01-0891	09/06/01	12/05/01	CBI	(S) Acid dye for the coloration of anodized aluminum	(G) Chromate, [(substituted)][(substituted)phenyl]azo (substituted naphthalenesulfonato) (substituted hydroxy) [(substituted sulfophenyl)azo](substituted naphthalenesulfonato)], sodium
P-01-0892	09/07/01	12/06/01	Triquest LP, Division of Chemfirst, Inc.	(G) Polymer used in electronics, adhesives and coatings manufacture.	(G) Polymer of substituted aromatic olefins and aliphatic olefins
P-01-0893	09/07/01	12/06/01	CBI	(G) Component of oil for synthetic fiber	(G) Glycerol, ethoxylated propoxylated ether, caprolactone copolymer
P-01-0894	09/07/01	12/06/01	CBI	(G) Component of oil for synthetic fiber	(G) Amines, ethoxylated propoxylated ether
P-01-0895	09/10/01	12/09/01	Degussa Corporation	(S) Coupling agent for rubber	(S) 3,16-dioxa-8,9,10,11-tetrahydro-4,15-disilaocadecane, 4,4,15,15-tetraethoxy-, reaction products with silica
P-01-0896	09/10/01	12/09/01	Arch Chemicals, Inc.	(S) Waterborne polyurethane ingredient	(G) Carboxyl polyol and triethylamine salt
P-01-0897	09/10/01	12/09/01	CBI	(G) Dispersant for composites	(G) Phosphated polyester
P-01-0898	09/10/01	12/09/01	Kelmar Industries	(S) Textile softener	(G) Grafted mercaptosiloxane(s)
P-01-0899	09/10/01	12/09/01	Kelmar Industries	(S) Textile softener	(G) Grafted mercaptosiloxane(s)
P-01-0900	09/10/01	12/09/01	CBI	(G) Corrosion inhibitor	(G) Carboxylic acid salt
P-01-0901	09/10/01	12/09/01	CBI	(G) Polymer additive	(G) Aromatic salts
P-01-0902	09/10/01	12/09/01	CBI	(G) Polymer additive	(G) Aromatic salts
P-01-0903	09/12/01	12/11/01	CBI	(G) Component of coatings, inks, adhesives etc.	(G) Polyurethane
P-01-0904	09/12/01	12/11/01	Degussa Corporation	(S) Mechanical rubber goods	(S) Silane, ethenyltriethoxy-, reaction products with silica
P-01-0905	09/06/01	12/05/01	ILford Imaging	(S) Dye for aqueous ink	(S) 1,3-naphthalenedisulfonic acid, 7-[[4-[[4,6-bis[(3-sulfopropyl)thio]-1,3,5-triazin-2-yl]amino]-3-methoxyphenyl]azo]-, tetrasodium salt
P-01-0906	09/13/01	12/12/01	CBI	(S) Lubrication basestock in automotive and industrial lubricants	(G) Saturated and unsaturated fatty acids, esters with a polyalcohol
P-01-0907	09/13/01	12/12/01	CBI	(S) Lubrication basestock in automotive and industrial lubricants	(G) Saturated and unsaturated fatty acids, esters with a polyalcohol
P-01-0908	09/13/01	12/12/01	CBI	(S) Lubrication basestock in automotive and industrial lubricants	(G) Saturated and unsaturated fatty acids, esters with a mono-alcohol
P-01-0909	09/13/01	12/12/01	CBI	(S) Lubrication basestock in automotive and industrial lubricants	(G) Saturated and unsaturated fatty acids, esters with a di-alcohol
P-01-0910	09/13/01	12/12/01	CBI	(S) Lubrication basestock in automotive and industrial lubricants	(G) Saturated and unsaturated fatty acids, esters with a mono-alcohol

I. 66 PREMANUFACTURE NOTICES RECEIVED FROM: 08/27/01 TO 09/14/01—Continued

Case No.	Received Date	Projected Notice End Date	Manufacturer/Importer	Use	Chemical
P-01-0911	09/13/01	12/12/01	CBI	(S) Lubrication basestock in automotive and industrial lubricants	(G) Saturated and unsaturated fatty acids, esters with a di-alcohol
P-01-0912	09/13/01	12/12/01	CBI	(G) Open destructive use as a gas generant for automotive inflators	(G) Metal ammine nitrate complex
P-01-0913	09/14/01	12/13/01	Brueggemann Chemical U.S., Inc.	(S) Polyamide crystallization accelerator	(S) Ethanedioic acid, diethyl ester, polymer with 1,2-ethanediamine
P-01-0914	09/14/01	12/13/01	CBI	(G) Polymer	(G) Acrylic polymer
P-01-0915	09/14/01	12/13/01	CBI	(G) Polymer	(G) Acrylic polymer
P-01-0916	09/14/01	12/13/01	CBI	(G) Polymer	(G) Acrylic polymer
P-01-0917	09/13/01	12/12/01	CBI	(G) Material for coating agent	(G) Methacrylic polymer
P-01-0918	09/13/01	12/12/01	CBI	(G) Sealant	(G) Substituted methoxysilane
P-01-0919	09/14/01	12/13/01	CIBA Specialty Chemicals Corporation	(S) Pigment for thermoplastic polymers	(G) Tetramine pyrimidine derivative
P-01-0920	09/14/01	12/13/01	Gateway Additive Company	(S) Cutting oils; industrial lubricants; metalworking fluids, soluble oil	(G) Polymer ester of mono and dibasic acids

In table II, EPA provides the following information (to the extent that such information is not claimed as CBI) on the Notices of Commencement to manufacture received:

II. 37 NOTICES OF COMMENCEMENT FROM: 08/27/01 TO 09/14/01

Case No.	Received Date	Commencement/Import Date	Chemical
P-00-0117	09/10/01	08/29/01	(G) Mono-halo substituted alkene
P-00-0502	09/10/01	08/30/01	(S) Glycerides, C ₁₄₋₂₂ and C ₁₆₋₂₂ -unsatd., ethoxylated propoxylated
P-00-0791	09/05/01	08/07/01	(G) Copolymer of styrene and methacrylic esters
P-00-0800	09/06/01	08/11/01	(G) Amine adduct of epoxy resin
P-00-1121	09/13/01	09/04/01	(G) Mixed metal oxide
P-00-1122	09/13/01	09/04/01	(G) Mixed metal oxide
P-00-1123	09/13/01	09/04/01	(G) Mixed metal oxide
P-00-1124	09/13/01	09/04/01	(G) Mixed metal oxide
P-00-1125	09/13/01	09/04/01	(G) Mixed metal oxide
P-00-1126	09/13/01	09/04/01	(G) Mixed metal oxide
P-01-0025	08/30/01	08/10/01	(G) Polyester polyurethane acrylate block copolymer
P-01-0038	09/07/01	08/20/01	(G) Alkyl phenyl siloxane
P-01-0039	08/30/01	08/21/01	(G) Dimethyl, methyl phenyl siloxane
P-01-0142	08/27/01	07/23/01	(G) Polyester polyol
P-01-0265	09/13/01	09/02/01	(G) Distillates (petroleum), steam-cracked, polymers with light steam-cracked petroleum conc.
P-01-0290	09/06/01	08/31/01	(G) Chelated metal complexes
P-01-0301	08/28/01	07/30/01	(G) Polyureapolyurethane polyol
P-01-0349	09/05/01	08/22/01	(G) Sorbitan derivative
P-01-0384	09/10/01	09/03/01	(G) Polyoxyalkylene, alkylene succinate polyester
P-01-0415	09/10/01	09/01/01	(G) Acrylic copolymer
P-01-0428	08/30/01	08/27/01	(S) 2-propenoic acid, 3-sulfopropyl ester, potassium salt
P-01-0483	08/28/01	08/17/01	(G) Modified melamine formaldehyde resin
P-01-0534	09/05/01	08/23/01	(G) Modified melamine
P-01-0557	09/05/01	08/23/01	(S) Lithium, hexyl-
P-01-0581	09/07/01	09/06/01	(G) (monosubstituted naphthalene azo) tri substituted naphthalene sulfonic acid, salt
P-01-0582	09/07/01	08/16/01	(G) (monosubstituted naphthalene azo) tri substituted naphthalene sulfonic acid, salt
P-01-0591	09/05/01	08/09/01	(G) Amino silanized silica
P-01-0592	08/29/01	08/23/01	(G) Carboxyl polyol
P-01-0648	09/06/01	08/30/01	(G) Organometallic complex
P-94-2035	09/10/01	09/06/01	(S) 2-nonen-1-ol, (z)-
P-95-0242	09/05/01	08/23/01	(G) Modified acrylonitrile-styrene resin
P-98-0111	09/10/01	08/27/01	(S) 3-cyclohexene-1-carboxylic acid, methyl ester
P-98-0828	09/04/01	07/12/01	(G) Modified polyester
P-99-0024	08/28/01	08/14/01	(G) Polyester polyurethane
P-99-0173	09/05/01	08/29/01	(G) Sodium dialkylbenzene sulfonate
P-99-0847	09/05/01	07/17/01	(G) Mixed metal oxide
P-99-0995	08/29/01	08/16/01	(G) Substituted bicyclic olefin

List of Subjects

Environmental protection, Chemicals, Premanufacturer notices.

Dated: October 3, 2001.

Deborah A. Williams,

Acting Director, Information Management Division, Office of Pollution Prevention and Toxics.

[FR Doc. 01-25971 Filed 10-15-01; 8:45 am]

BILLING CODE 6560-50-S

FEDERAL RESERVE SYSTEM

[Docket No. R-1095]

Federal Reserve Bank Services; Private Sector Adjustment Factor

AGENCY: Board of Governors of the Federal Reserve System.

ACTION: Notice.

SUMMARY: The Board has approved modifications to the method for calculating the Private Sector Adjustment Factor (PSAF), which imputes the costs that would have been incurred and profits that would have been earned had the Federal Reserve Banks' priced services been provided by a private firm. The Board considered several alternatives for calculating components of the PSAF and is modifying the current method for imputing debt and equity, enhancing the method for determining the target rate of return on equity, and continuing to use the fifty largest bank holding companies' financial data as a proxy for Federal Reserve priced-services activities. In a change from the proposal and current practice, the peer group will be selected based on total deposits rather than the size of asset balances. The revised method will be used to determine the PSAF and fees for Federal Reserve priced services beginning with the 2002 price setting.

FOR FURTHER INFORMATION CONTACT:

Gregory L. Evans, Manager (202/452-3945) or Brenda L. Richards, Sr. Financial Analyst (202/452-2753), Division of Reserve Bank Operations and Payment Systems. For users of Telecommunication Device for the Deaf (TDD) only, please call 202/263-4869. Copies of a research paper describing the theoretical basis and detailed application of each of the models ("The Federal Reserve Banks' Imputed Cost of Equity Capital") may be obtained from the Board through the Freedom of Information Office (202/452-3684) or at the Board's web site at <http://www.federalreserve.gov/boarddocs/press/boardacts/2000/200012212/researchpaper.pdf>.

SUPPLEMENTARY INFORMATION:**I. Background**

As required by the Monetary Control Act of 1980, fees for Federal Reserve priced services provided to depository institutions are set at a rate to recover all direct and indirect costs of providing the services actually incurred and imputed costs. Imputed costs include financing costs, return on equity (also referred to as profit), taxes, and certain other expenses that would be incurred if a private business firm provided the services. The imputed costs and imputed profit are collectively referred to as the private-sector adjustment factor (PSAF). In a comparable fashion, revenue is imputed and netted with actual related direct costs through the net income on clearing balances (NICB) calculation.

Calculating the PSAF involves projecting the level of priced-services assets and determining the financing mix used to fund them and the rates used to impute financing costs. In the current method, the financing rates, the combination of financing types, and an income tax rate are based on data developed from the "bank holding company (BHC) model," a model that contains consolidated financial data for the nation's fifty largest (based on asset balances) BHCs. Imputed taxes are captured using a pre-tax return on equity (ROE). The current methodology assumes that the Reserve Banks invest all clearing balances net of imputed reserve requirements in three-month Treasury bills. The net earnings or expense attributable to the imputed Treasury-bill investments and actual earnings credits granted to clearing balance holders based on the federal funds rate are considered income or expense for priced-services activities. The net income or expense is referred to as net income on clearing balances (NICB).

To evaluate the effect of changes that may have occurred in Reserve Bank priced-service activities, accounting standards, finance theory, regulatory practices, and banking activity, the Board periodically reviews the methods for calculating the PSAF and the NICB. To ensure that the method remains current and consistent with sound business management, the Board requested comments on a proposal to modify certain elements of the calculations (65 FR 82360, December 28, 2000). Specifically, the Board requested comment on the following changes to the PSAF:

- Imputed debt and equity: The Board proposed initially designating \$4 billion of clearing balances as core deposits for

potential use as a financing source for priced-services assets, thereby reducing the funds available for imputing investment income. The Board also proposed imputing equity at the minimum requirements for a well-capitalized institution as defined by the FDIC for purposes of assessing insurance premiums.

- Target return on equity (ROE): The Board proposed enhancing the method for determining the target rate of return on equity by combining the rate resulting from the current BHC model, one example of the comparable accounting earnings model (CAE), with rates derived from a discounted cash flow (DCF) model and a capital asset pricing model (CAPM). The Board proposed a risk-free rate and using specific data for determining the average risk premium for the market and the beta in the CAPM. For the DCF, the Board proposed using commercially available consensus forecasts to measure future dividends and long-term growth rates. The Board also proposed equal weights within the CAE model, weights based on market capitalization for the DCF and CAPM models, and a combined ROE measure based on equal weighting of the results of the three models.

- Peer group: The Board proposed continuing the current practice of selecting the largest fifty BHCs based on asset balance size as the Reserve Bank peer group.

II. Priced Services Balance Sheet

Table 1 represents the elements of the priced-services balance sheet and how they will be derived. All actual assets and liabilities presented on the priced-services balance sheet are based on projected average daily balances.

III. Summary and Analysis of Comments

The Board received ten responses to its request for comment, including responses from two Reserve Banks. Overall, eight commenters supported and two commenters opposed the Board's proposal. Those supporting the proposal represented credit unions, smaller depository institutions, and Reserve Banks. The Association of Bank Couriers and Fiserv, Inc. opposed the proposal. The Board received no comments from large banks or bank holding companies.

Those supporting the proposal believe that the proposed changes to the PSAF methodology are appropriate and will provide a better basis on which to impute the expenses and income used in setting Federal Reserve fees. Those in opposition object to using clearing