successful. The notice must be submitted within 15 days of Georgia-Pacific's determination, but not later than March 16, 2005.

(ii) For operation under § 63.863(c)(2), submit a notice providing: a statement that Georgia-Pacific Corporation intends to run the Kraft black liquor trials, the anticipated period in which the trials will take place, and a statement explaining why the trials could not be conducted prior to March 1, 2005. The notice must be submitted at least 30 days prior to the start of the Kraft liquor trials.

* * * * *

[FR Doc. 03–19919 Filed 8–4–03; 8:45 am]

BILLING CODE 6560–50–P

DEPARTMENT OF TRANSPORTATION

Research and Special Programs Administration

49 CFR Parts 191, 192, and 195

[Docket Number RSPA–99–6132; Amdt. Nos. 191–15, 192–92, 195–72]

RIN 2137–AD42

Pipeline Safety: Producer-Operated Outer Continental Shelf Natural Gas and Hazardous Liquid Pipelines That Cross Directly Into State Waters

AGENCY: U.S. Department of Transportation (DOT), Research and Special Programs Administration (RSPA).

ACTION: Final rule.

SUMMARY: This final rule addresses the safety regulation responsibility for producer-operated natural gas and hazardous liquid pipelines that cross into State waters without first connecting to a transporting operator's facility on the Outer Continental Shelf (OCS). This rule specifies the procedures by which producer operators can petition for approval to operate under safety regulations governing pipeline design, construction, operation, and maintenance issued by either the Research and Special Programs Administration (RSPA) or the Department of the Interior (DOI), Minerals Management Service (MMS).

DATES: This rule is effective September 4, 2003.

FOR FURTHER INFORMATION: You may contact L.E. Herrick by telephone at (202) 366–5523, by fax at (202) 366 4566, by mail at U.S. Department of Transportation, RSPA, DPS–10, Room 7128, 400 Seventh Street, SW., Washington, DC 20590, or via e-mail to *le.herrick@rspa.dot.gov* regarding the subject matter of this notice.

For copies of this notice or other material that is referenced herein you may contact the Dockets Facility by telephone at (202) 366–5046 or at the addresses listed above. The public may also review material in the docket by accessing the Docket Management System's home page at *http://dms.dot.gov.*

SUPPLEMENTARY INFORMATION:

1. Background

Notice of Proposed Rulemaking

On April 5, 2002, RSPA's Office of Pipeline Safety (OPS) published a notice of proposed rulemaking (67 FR 16355) that addressed safety regulation responsibility for producer-operated natural gas and hazardous liquid pipelines that cross into State waters without first connecting to a transporting operator's facility on the Outer Continental Shelf (OCS). This final rule implements that proposal.

In May 1996, MMS and RSPA met with a joint industry workgroup, which was led by the American Petroleum Institute (API). The workgroup suggested that the agencies rely upon individual operators of natural gas and hazardous liquid production and transportation pipeline facilities to identify the boundaries of their respective facilities. MMS and RSPA agreed with the industry proposal and entered into an interagency Memorandum of Understanding (MOU) on December 10, 1996. The MOU was published in a joint MMS/RSPA **Federal Register** Notice (February 14, 1997; 62 FR 7037). The MOU placed, to the greatest practical extent, OCS production pipelines under MMS safety regulation and OCS transportation pipelines under RSPA safety regulation.

The MOU established a regulatory boundary on the OCS at the point operating responsibility for the pipeline transfers from a producing operator to a transporting operator. The MOU did not address regulatory responsibility for producer-operated pipelines that cross the Federal/State boundary without a transfer on the OCS or producer-operated pipelines that flow from wells located in State waters to production platforms located on the OCS.

The purpose of this final rule is to address the regulatory question for producer-operated pipeline facilities that cross the Federal/State boundary without first connecting to a transporting operator's facility on the OCS and to establish a procedure whereby OCS operators may petition to have their pipelines regulated by either RSPA or MMS. This rule amends 49 CFR 191.1(b)(1), 192.1(b)(1), and 195.1(b)(5).

Regardless of the direction of flow, producer pipelines that cross the Federal/State boundary are always subject to RSPA regulation on the portions of the lines located in State waters. However, it does not make operational sense to have a pipeline segment crossing the Federal/State boundary subject to MMS regulations on the OCS side of the boundary and RSPA regulations on the State side of the boundary. A regulatory boundary point is better defined in terms of a specific valve that isolates one segment of a pipeline from another. By contrast, the Federal/State geographic boundary does not allow the isolation of facilities on each side of the boundary.

Therefore, for producer-operated pipeline facilities that cross into State waters without first connecting to a transporting operator's facility on the OCS, the pipeline segments located upstream (generally seaward) of the last valve on the last production facility are exempted from compliance with 49 CFR Parts 190–199. Safety equipment protecting RSPA regulated pipeline segments are not excluded.

Under this arrangement, producer-operated pipeline facilities upstream (generally seaward) of the last valve on the last production facility on the OCS are regulated under MMS regulations. RSPA/OPS will continue to inspect all upstream safety equipment (including valves, overpressure protective devices, cathodic protection equipment, and pigging devices) that protect the integrity of the RSPA/OPS-regulated pipeline segments. This arrangement is consistent with the general intent of the MOU.

However, an important principle of the industry agreement leading to the MOU is to allow the pipeline operators to decide the regulatory boundaries on or near their facilities. Therefore, producer pipeline operators may petition RSPA/OPS under 49 CFR 190.9 for approval to operate under RSPA/OPS regulations governing pipeline design, construction, operation, and maintenance. In considering such petitions, RSPA/OPS will consult with MMS and affected parties.

This rule affects about 215 producer-operated pipelines that are regulated according to a now-superseded 1976 MOU between DOI and DOT. By exempting the producer-operated pipelines from RSPA/OPS regulation, this rule will reduce overlapping regulation in accordance with the MOU of December 10, 1996. The rulemaking

will have minimal economic impact on any of the affected operators.

Comments

We received one comment on the NPRM. The commenter was concerned that the phrase ''[p]ipeline on the Outer Continental Shelf'' could cause confusion because it could imply that only the portion of the pipeline on the Outer Continental Shelf was affected, when in fact the paragraph applies to both the pipeline section on the OCS and the section in State waters. In order to clarify that the rule applies to either direction of flow, we have made minor modifications to the language proposed in the NPRM.

Technical Advisory Committees

On February 6, 2001, the proposed rule was discussed at a joint meeting of the Technical Hazardous Liquid Pipeline Safety Standards Committee (THPLSSC) and the Technical Pipeline Safety Standards Committee (TPSSC). These statutorily mandated committees include up to fifteen members each from government, industry, and the general public. Each member is qualified to consider the technical feasibility, reasonableness, cost-effectiveness, and practicability of proposed pipeline safety standards.

The committees voted on the proposal through a mail ballot. Thirteen of fifteen members of the TPSSC and seven out of twelve members of the THLPSSC returned ballots. All ballots returned indicated member agreement that the proposed rule is technically feasible, reasonable, cost effective, and practicable. Copies of the returned ballots are available in the docket for this rulemaking on the Dockets Management System at: *http://dms.dot.gov.*

Privacy Act Statement

Anyone is able to search the electronic form of all comments received into any of our dockets by the name of the individual submitting the comment (or signing the comment, if submitted on behalf of an association, business, labor union, etc.). You may review DOT's complete Privacy Act Statement in the **Federal Register** of April 11, 2000 (Volume 65, Number 70; Pages 19477–78) or you may visit the docket for this rulemaking in our Dockets Management System at: *http://dms.dot.gov.*

Regulatory Analyses and Notices

A. E.O. 12866 and DOT Regulatory Policies and Procedures

The Department of Transportation (DOT) does not consider this final rule to be a significant regulatory action under section 3(f) of Executive Order 12866 (58 FR 51735; October 4, 1993). Therefore, it was not forwarded to the Office of Management and Budget. This rule is not significant under DOT's regulatory policies and procedures (44 FR 11034: February 26, 1979). A regulatory evaluation of this proposal was prepared and placed in the docket of this action.

Benefits

Without this rule, the pipeline operations of a number of producers with pipelines crossing directly into State waters could remain subject to overlapping regulations for design, construction, operation, and maintenance. This includes about 35 producers in the Gulf of Mexico OCS waters and 10 producers operating in California OCS waters. This would be contrary to the intent of the MOU to regulate producer-operated pipelines under DOI and transporter-operated pipelines under DOT.

By implementing the rule, RSPA will bring these pipelines into compliance with the 1996 MOU. This should minimize confusion among operators concerning which regulations they are expected to follow. We estimate that each OCS producer operator spends on average one-half of a person year annually per OCS pipeline to comply with RSPA regulations. Assuming that a loaded wage for a person year in the pipeline industry is $50,000, each company could realize a savings of $25,000 annually ($50,000 × 0.5 person-years = $25,000). The annual savings to the entire industry could be as high as $1,125,000 ($25,000 × 45 operators = $1,125,000).

Costs

The administrative costs of the rule are minimal. Paperwork costs would arise only in cases when a producer pipeline operator decided to request that its pipeline continue to be regulated as a RSPA/OPS facility. We estimate that less than 10 producer pipeline operators will request to remain under RSPA regulation. We estimate that the time for developing each request and submitting it to MMS and RSPA/OPS will be about 40 hours. Based on 10 requests at 40 hours each, the total one-time burden of requesting to remain under RSPA/OPS regulation will be less than 400 hours. Based on $35 per hour, we estimate that the total administrative cost to respondents is less than $14,000 ($1,400 per request) during the first year that the rule is implemented. In the first year, nearly all producer pipeline operators would have decided whether to automatically convert to MMS regulation or apply to remain under RSPA/OPS regulation. We anticipate that in following years, not more than two operators a year would submit a request to change their regulatory status at a total cost of $2,800. However, for most following years it is highly unlikely that any request would be made as a result of the rule.

The rule does not have a significant economic effect (more than $100 million). Therefore, RSPA/OPS does not consider it to be a major rule. We do not expect there to be any increases in costs or prices for consumers, individual industries, Federal, State or local governments, agencies, or geographic regions to result from implementing the rule. Any indirect effects on costs or prices are anticipated to be negligible.

This rule will not create a serious inconsistency or otherwise interfere with an action taken or planned by another agency, materially alter the budgetary impact of entitlement, grants, user fees, or loan programs; or raise novel legal or policy issues.

The minor economic effects of the rule will not have any impact on competition, employment, investment, productivity, innovation, or on the ability of U.S. based enterprises to compete with foreign based enterprises in other markets. Therefore, a Regulatory Impact Analysis is not required under E.O. 12866.

B. Federalism Assessment

The rule would not have substantial direct effects on States, on the relationship between the Federal Government and the States, or on the distribution of power and responsibilities among the various levels of government. Therefore, in accordance with Executive Order 12612 (October 30, 1987; 52 FR 41685), we have determined that this notice does not have sufficient Federalism implications to warrant preparation of a Federalism Assessment.

C. Regulatory Flexibility Act

Under the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*) RSPA/OPS must consider whether a rulemaking would have a significant impact on a substantial number of small entities.

MMS conducted an analysis of 150 operators on the Gulf of Mexico OCS. For publicly traded operators, numbers of employees and annual sales are readily available on the Internet. MMS was not able to get information for all operators on the OCS. Using the criterion that a small company is one that employs less than 500 employees, 60 operators are medium-to-large-size

entities. Of the remaining operators, 36 are small, based on available data, and 44 others were presumed to be small because no information about them was available on the Internet. In sum, 80 operators on the Gulf of Mexico OCS may be considered to be small.

The above breakdown describes the OCS sector of the natural gas and hazardous liquid industry as a whole and provides the wider context in which to examine the actual community that would be affected by the rule.

Of the 150 production operators in the Gulf of Mexico, only 35 would be directly affected by the rule. Of these 35 operators, 11 are considered to be ''small.'' There are about ten producer pipeline operators on the Pacific OCS that may be affected by the rule, and four of these are considered to be small. Of the small operators affected by the rule, almost all are represented by Standard Industrial Classification (SIC) Code 1311, which represents crude petroleum and natural gas producers.

The larger operators affected by the rule mostly fall into either SIC Code 1311 (crude petroleum and natural gas producers) or SIC Code 2911, (petroleum refining). Companies operating on the OCS and that fall into SIC Code 2911 tend to be the very large integrated natural gas and hazardous liquid companies.

Two of the larger operators in the Gulf of Mexico that have production pipelines are represented under SIC Code 4922 (natural gas transmission) and by SIC Code 4924 (natural gas distribution). These classifications mean that the operators in question normally operate as pipeline companies, and we anticipate that these two operators will choose to remain under RSPA/OPS regulation. Pipeline companies are considered ''small'' if they have fewer than 1,500 employees, but both of these operators would be considered ''large'' under the 1,500-employee criterion.

Natural gas and hazardous liquid production and transportation companies are classified under SIC Codes by the Census Bureau. The Small Business Administration further classifies ''small businesses'' in the various offshore sectors as follows: (1) Oil and gas producers that have fewer than 500 employees; (2) liquid pipeline companies that have fewer than 1,500 employees; (3) natural gas pipeline companies that have gross annual receipts of $25 million or less; and (4) offshore oil and gas field exploration service or production service companies that have gross annual receipts of $5 million or less. There are many companies on the OCS that are ''small businesses'' by these definitions.

However, the technology necessary for conducting offshore oil and gas exploration and development activities is very complex and costly, and most entities that engage in offshore activities have financial resources disproportionate to their numbers of employees and well beyond what would normally be considered ''small business.'' These entities customarily conduct their operations by contracting with offshore drilling or service companies, and therefore, tend to have few employees in relation to their financial resources.

There are up to 150 designated operators of leases and 75 operators of transmission pipelines on the OCS (both large and small operators), and the economic impacts on the oil and gas production and transmission companies directly affected would be minor. All costs imposed by the rule would be small compared to the normal operating and maintenance expenses experienced by offshore pipeline operators. Direct costs to industry for the entire rule total less than $14,000 for the first year. This rule would not impose any new restrictions on small pipeline service companies or manufacturers, nor will it cause changes in their business practices.

We conclude that the rule would not have a significant economic impact on a substantial number of small entities. Therefore, I certify, pursuant to section 605 of the Regulatory Flexibility Act (5 U.S.C. 605), that this final rule will not have a significant economic impact on a substantial number of small entities.

D. Executive Order 13084

This rule has been analyzed in accordance with the principles and criteria contained in Executive Order 13084 (''Consultation and Coordination with Indian Tribal Governments''). Because this rule affects the Federally managed OCS and does not affect the communities of the Indian tribal governments or impose any direct compliance costs, the funding and consultation requirements of Executive Order 13084 do not apply.

E. Executive Order 13132

This rule has been analyzed in accordance with the principles and criteria contained in Executive Order 13132 (''Federalism''). This rule does not propose any regulation 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 States and local governments; or

(3) Preempts state law.

Therefore, the consultation and funding requirements of Executive Order 13132 (64 FR 43255; August 10, 1999) do not apply.

F. Unfunded Mandates

This rule would not impose unfunded mandates under the Unfunded Mandates Reform Act of 1995. It would not result in costs of over $100 million to either State, local, or tribal governments, in the aggregate, or to the private sector, and is the least burdensome alternative that achieves the objectives.

G. Paperwork Reduction Act

This rule does not contain information collection requirements estimated to affect more than ten respondents per year.

H. National Environmental Policy Act

We have analyzed this action for purposes of the National Environmental Policy Act (42 U.S.C. 4321 *et seq.*) and determined that this rule would not significantly affect the quality of the human environment. The Environmental Assessment of this proposal is available for review in the docket.

List of Subjects

49 CFR Part 191

Gas, Pipeline safety, Reporting and recordkeeping requirements.

49 CFR Part 192

Hazardous liquid, Natural gas, Pipeline safety, Pipelines, Reporting and recordkeeping requirements.

49 CFR Part 195

Ammonia, Carbon dioxide, Petroleum, Pipeline safety, Reporting and recordkeeping requirements.

■ For the reasons described in this final rule, RSPA/OPS is amending Title 49, Parts 191, 192 and 195, Code of Federal Regulations, as follow:

PART 191—TRANSPORTATION OF NATURAL AND OTHER GAS BY PIPELINE; ANNUAL REPORTS, INCIDENT REPORTS, AND SAFETY-RELATED CONDITION REPORTS

■ 1. The authority citation for part 191 continues to read as follows:

Authority: 49 U.S.C. 5121, 60102, 60103, 60104, 60108, 60117, 60118, 60124; and 49 CFR 1.53.

■ 2. Amend § 191.1 by revising paragraph (b) to read as follows:

§ 191.1 Scope.

* * * * *

(b) This part does not apply to—

(1) Offshore gathering of gas in State waters upstream from the outlet flange of each facility where hydrocarbons are produced or where produced hydrocarbons are first separated, dehydrated, or otherwise processed, whichever facility is farther downstream;

(2) Pipelines on the Outer Continental Shelf (OCS) that are producer-operated and cross into State waters without first connecting to a transporting operator's facility on the OCS, upstream (generally seaward) of the last valve on the last production facility on the OCS. Safety equipment protecting RSPA-regulated pipeline segments is not excluded. Producing operators for those pipeline segments upstream of the last valve of the last production facility on the OCS may petition the Administrator, or designee, for approval to operate under RSPA regulations governing pipeline design, construction, operation, and maintenance under 49 CFR 190.9.

(3) Pipelines on the Outer Continental Shelf upstream of the point at which operating responsibility transfers from a producing operator to a transporting operator; or

(4) Onshore gathering of gas outside of the following areas:

(i) An area within the limits of any incorporated or unincorporated city, town, or village.

(ii) Any designated residential or commercial area such as a subdivision, business or shopping center, or community development.

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: 49 U.S.C. 5103, 60102, 60104, 60108, 60109, 60110, 60113, 60118; and 49 CFR 1.53.

■ 2. Amend § 192.1 by revising paragraph (b) to read as follows:

§ 192.1 Scope of part.

* * * * *

(b) This part does not appy to—

(1) Offshore gathering of gas in State waters upstream from the outlet flange of each facility where hydrocarbons are produced or where produced hydrocarbons are first separated, dehydrated, or otherwise processed, whichever facility is farther downstream;

(2) Pipelines on the Outer Continental Shelf (OCS) that are producer-operated and cross into State waters without first connecting to a transporting operator's facility on the OCS, upstream (generally seaward) of the last valve on the last production facility on the OCS. Safety equipment protecting RSPA-regulated pipeline segments is not excluded. Producing operators for those pipeline segments upstream of the last valve of the last production facility on the OCS may petition the Administrator, or designee, for approval to operate under RSPA regulations governing pipeline design, construction, operation, and maintenance under 49 CFR 190.9.

(3) Pipelines on the Outer Continental Shelf upstream of the point at which operating responsibility transfers from a producing operator to a transporting operator;

(4) Onshore gathering of gas outside of the following areas:

(i) An area within the limits of any incorporated or unincorporated city, town, or village.

(ii) Any designated residential or commercial area such as a subdivision, business or shopping center, or community development.

(5) Onshore gathering of gas within inlets of the Gulf of Mexico except as provided in § 192.612; or

(6) Any pipeline system that transports only petroleum gas or petroleum gas/air mixtures to—

(i) Fewer than 10 customers, if no portion of the system is located in a public place; or

(ii) A single customer, if the system is located entirely on the customer's premises (no matter if a portion of the system is located in a public place).

PART 195—TRANSPORTATION OF HAZARDOUS LIQUIDS BY PIPELINE

■ 1. The authority citation for Part 195 continues to read as follows:

Authority: 49 U.S.C. 5103, 60102, 60104, 60108, 60109, 60118; and 49 CFR 1.53.

■ 2. Amend § 195.1 by revising paragraph (b), by removing paragraphs (b)(5) and (b)(6) and by adding new paragraphs (b)(5), (b)(6), and (b)(7) to read as follows:

§ 195.1 Applicability.

* * * * *

(b) This part does not apply to —

(1) * * *

(5) Transportation of hazardous liquid or carbon dioxide in offshore pipelines in State waters which are located upstream from the outlet flange of each facility where hydrocarbons or carbon dioxide are produced or where produced hydrocarbons or carbon dioxide are first separated, dehydrated, or otherwise processed, whichever facility is farther downstream;

(6) Transportation of hazardous liquid or carbon dioxide in Outer Continental Shelf pipelines which are located upstream of the point at which operating responsibility transfers from a producing operator to a transporting operator;

(7) Pipelines on the Outer Continental Shelf (OCS) that are producer-operated and cross into State waters without first connecting to a transporting operator's facility on the OCS, upstream (generally seaward) of the last valve on the last production facility on the OCS. Safety equipment protecting RSPA-regulated pipeline segments is not excluded. Producing operators for those pipeline segments upstream of the last valve of the last production facility on the OCS may petition the Administrator, or designee, for approval to operate under RSPA regulations governing pipeline design, construction, operation, and maintenance under 49 CFR 190.9.

* * * * *

Issued in Washington, DC on July 29, 2003.

Samuel G. Bonasso,

Acting Administrator.

[FR Doc. 03–19752 Filed 8–4–03; 8:45 am]

BILLING CODE 4910–60–P

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

50 CFR Part 660

[I.D. 032703B]

RIN 0648–AN79, 0648–AP54, 0648–AP55

Fisheries Off West Coast States and in the Western Pacific; Pelagic Fisheries, Amendment 8; Crustacean Fisheries, Amendment 10; Bottomfish and Seamount Groundfish Fisheries, Amendment 6; Precious Corals Fisheries, Amendment 4

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

ACTION: Notice of agency decision.

SUMMARY: NMFS announces the approval of four supplemental amendments to Amendment 4 to the Fishery Management Plan (FMP) for the Precious Coral Fisheries of the Western Pacific Region (Amendment 4); Amendment 6 to the FMP for the Bottomfish and Seamount Groundfish Fisheries of the Western Pacific Region (Amendment 6); Amendment 8 to the