

regulations relating to the qualified offer rule, including the requirements that an offer must satisfy to be treated as a qualified offer under section 7430(g) and the requirements that a taxpayer must satisfy to qualify as a prevailing party by reason of having made a qualified offer.

**DATES:** This document is effective on December 24, 2003.

**FOR FURTHER INFORMATION CONTACT:** Tami C. Belouin, (202) 622-7950 (not a toll-free number).

**SUPPLEMENTARY INFORMATION:**

**Background**

The final regulations and removal of temporary regulations (TD 9106) that is the subject of this correction are under section 7430(g) of the Internal Revenue Code.

**Need for Correction**

As published, the final regulations and removal of temporary regulations (TD 9106) contains an error that may prove to be misleading and is in need of clarification.

**Correction of Publication**

■ Accordingly, the publication of the final regulations and removal of temporary regulations (TD 9106) that

were the subject of FR. Doc. 03-31822, is corrected as follows:

**§ 301.7430-7 [Corrected]**

■ 1. On page 74855, column 1, § 301.7430-7(g), line 1, the language “(g) Effective date. This section is” is corrected to read “(f) Effective date. This section is”.

**Cynthia E. Grigsby,**  
*Acting Chief, Publications and Regulations Branch, Legal Processing Division, Associate Chief Counsel (Procedures and Administration).*

[FR Doc. 04-1814 Filed 1-27-04; 8:45 am]

**BILLING CODE 4830-01-P**

**DEPARTMENT OF COMMERCE**

**Patent and Trademark Office**

**37 CFR Part 1**

**Rules of Practice in Patent Cases**

*CFR Correction*

■ In Title 37 of the Code of Federal Regulations, revised as of July 1, 2003, on page 107, the second § 1.198 is removed.

[FR Doc. 04-55500 Filed 1-27-04; 8:45 am]

**BILLING CODE 1505-01-D**

**EPA-APPROVED MISSOURI REGULATIONS**

**ENVIRONMENTAL PROTECTION AGENCY**

**40 CFR Part 52**

**Approval and Promulgation of Implementation Plans**

*CFR Correction*

■ In Title 40 of the Code of Federal Regulations, Part 52 (§ 52.1019 to End), revised as of July 1, 2003, on page 179, § 52.1320 is corrected by adding after the first entry to the table in paragraph (c) under Chapter 6, the following entry.

**§ 52.1320 Identification of Plan.**

\* \* \* \* \*

(c) \* \* \*

Missouri Citation	Title	State effective date	EPA approval date	Explanation
<b>Chapter 6—Air Quality Standards, Definitions, Sampling and Reference Methods, and Air Pollution Control Regulations for the State of Missouri</b>				
10-6.020	Definitions and Common Reference Tables.	5/30/00	3/23/01, 66 FR 16139.	

[FR Doc. 04-55501 Filed 1-27-04; 8:45 am]  
**BILLING CODE 1505-01-D**

**ENVIRONMENTAL PROTECTION AGENCY**

**40 CFR Part 82**

[FRL-7615-3]

RIN 2060-AM01

**Protection of Stratospheric Ozone: Allocation of Essential Use Allowances for Calendar Year 2004**

**AGENCY:** Environmental Protection Agency (EPA).

**ACTION:** Final rule.

**SUMMARY:** With this action, EPA is allocating essential use allowances for import and production of class I stratospheric ozone depleting

substances (ODSs) for calendar year 2004. Essential use allowances enable a person to obtain controlled class I ODSs as an exemption to the regulatory ban of production and import of these chemicals, which became effective on January 1, 1996. EPA allocates essential use allowances for exempted production or import of a specific quantity of class I ODS solely for the designated essential purpose. The allocations total 2077.91 metric tons of chlorofluorocarbons for use in metered dose inhalers. EPA is also allocating the remaining allowances for methyl chloroform (141.877 metric tons) to the U.S. Space Shuttle Program.

**DATES:** This final rule is effective January 28, 2004.

**ADDRESSES:** Materials related to this rulemaking are contained in EPA Air Docket OAR-2003-0202. The EPA Air Docket is located at EPA West Building,

Room B102, 1301 Constitution Avenue NW., Washington, DC 20460. The Air Docket is open from 8:30 a.m. until 4:30 p.m. Monday through Friday. Materials related to previous EPA actions on the essential use program are contained in EPA Air Docket No. A-93-39.

**FOR FURTHER INFORMATION CONTACT:** Scott Monroe, Essential Use Program Manager, by regular mail: U.S. Environmental Protection Agency, Global Programs Division (6205J), 1200 Pennsylvania Avenue NW., Washington, DC 20460; by courier service or overnight express: 1301 L Street NW., Washington DC, 20005, by telephone: (202) 343-9712; or by e-mail: [monroe.scott@epa.gov](mailto:monroe.scott@epa.gov).

**SUPPLEMENTARY INFORMATION:**

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## I. General Information

### A. How Can I Get Copies of Related Information?

#### 1. Docket

EPA has established an official public docket for this action at Air Docket ID No. OAR-2003-0202. The official public docket consists of the documents specifically referenced in this action and other information related to this action. Hard copies of documents related to previous essential use allocation rulemakings and other actions may be found in EPA Air Docket ID No. A-93-39. The public docket does not include Confidential Business Information (CBI) or other information whose disclosure is restricted by statute. The public docket is available for viewing at the Air and Radiation Docket in the EPA Docket Center, (EPA/DC) EPA West, Room B102, 1301 Constitution Ave., NW., Washington, DC. The EPA Docket Center Public Reading Room is open from 8:30 a.m. to 4:30 p.m., Monday through Friday, excluding legal holidays. The telephone number for the Reading Room is (202) 566-1742, and the telephone number for the Air and Radiation Docket is (202) 566-1742. EPA may charge a reasonable fee for copying docket materials.

#### 2. Electronic Access

An electronic version of the public docket is available through EPA's electronic public docket and comment system, "EPA Dockets." You may use EPA Dockets at <http://www.epa.gov/edocket/> to view public comments, access the index listing of the contents of the official public docket, and to access those documents in the public docket that are available electronically. Once in the system, select "search," then key in the appropriate docket identification number.

## II. Basis for Allocating Essential Use Allowances

### A. What Are Essential Use Allowances?

Essential use allowances are allowances to produce or import certain ozone-depleting chemicals in the U.S. for purposes that have been deemed "essential" by the Parties to the Montreal Protocol and the U.S. Government.

The Montreal Protocol on Substances that Deplete the Ozone Layer (Protocol) is the international agreement to reduce and eventually eliminate the production and consumption<sup>1</sup> of all stratospheric ozone depleting substances (ODSs). The elimination of production and consumption of class I ODSs is accomplished through adherence to phase-out schedules for specific class I ODSs<sup>2</sup>, including: Chlorofluorocarbons (CFCs), halons, carbon tetrachloride, and methyl chloroform. As of January 1, 1996, production and import of most class I ODSs were phased out in developed countries, including the United States.

However, the Protocol and the Clean Air Act (Act) provide exemptions that allow for the continued import and/or production of class I ODS for specific uses. Under the Protocol, exemptions may be granted for uses that are determined by the Parties to be "essential." Decision IV/25, taken by the Parties to the Protocol in 1992, established criteria for determining whether a specific use should be approved as essential, and set forth the international process for making determinations of essentiality. The criteria for an essential use, as set forth in paragraph 1 of Decision IV/25, are the following:

<sup>1</sup> "Consumption" is defined as the amount of a substance produced in the United States, plus the amount imported into the United States, minus the amount exported to Parties to the Montreal Protocol (see Section 601(6) of the Clean Air Act). Stockpiles of class I ODSs produced or imported prior to the 1996 phase out may be used for purposes not expressly banned at 40 CFR part 82.

<sup>2</sup> Class I ozone depleting substances are listed at 40 CFR part 82 subpart A, appendix A.

"(a) That a use of a controlled substance should qualify as "essential" only if:

(i) It is necessary for the health, safety or is critical for the functioning of society (encompassing cultural and intellectual aspects); and

(ii) There are no available technically and economically feasible alternatives or substitutes that are acceptable from the standpoint of environment and health;

(b) That production and consumption, if any, of a controlled substance for essential uses should be permitted only if:

(i) All economically feasible steps have been taken to minimize the essential use and any associated emission of the controlled substance; and

(ii) The controlled substance is not available in sufficient quantity and quality from existing stocks of banked or recycled controlled substances, also bearing in mind the developing countries' need for controlled substances."

### B. Under What Authority Does EPA Allocate Essential Use Allowances?

Title VI of the Act implements the Protocol for the United States.<sup>3</sup> Section 604(d) of the Act authorizes EPA to allow the production of limited quantities of class I ODSs after the phase out date for the following essential uses:

(1) Methyl Chloroform, "solely for use in essential applications (such as nondestructive testing for metal fatigue and corrosion of existing airplane engines and airplane parts susceptible to metal fatigue) for which no safe and effective substitute is available." EPA issues methyl chloroform allowances to the U.S. Space Shuttle and Titan Rocket programs.

(2) Medical Devices (as defined in section 601(8) of the Act), "if such authorization is determined by the Commissioner [of the Food and Drug Administration], in consultation with the Administrator [of EPA] to be necessary for use in medical devices." EPA issues allowances to manufacturers of metered-dose inhalers, which use CFCs as propellant for the treatment of

<sup>3</sup> According to Section 614(b) of the Act, Title VI "shall be construed, interpreted, and applied as a supplement to the terms and conditions of the Montreal Protocol \* \* \* and shall not be construed, interpreted, or applied to abrogate the responsibilities or obligations of the United States to implement fully the provisions of the Montreal Protocol. In the case of conflict between any provision of this title and any provision of the Montreal Protocol, the more stringent provision shall govern." EPA's regulations implementing the essential use provisions of the Act and the Protocol are located in 40 CFR part 82.

asthma and chronic obstructive pulmonary diseases.

(3) Aviation Safety, for which limited quantities of halon-1211, halon-1301, and halon 2402 may be produced "if the Administrator of the Federal Aviation Administration, in consultation with the Administrator [of EPA] determines that no safe and effective substitute has been developed and that such authorization is necessary for aviation safety purposes." Neither EPA nor the Parties have ever granted a request for essential use allowances for halon, because alternatives are available or because existing quantities of this substance are large enough to provide for any needs for which alternatives have not yet been developed.

The Protocol, under Decision X/19, additionally allows a general exemption for laboratory and analytical uses through December 31, 2005. This exemption is reflected in EPA's regulations at 40 CFR part 82, subpart A. While the Act does not specifically provide for this exemption, EPA has determined that an allowance for essential laboratory and analytical uses is allowable under the Act as a *de minimis* exemption. The *de minimis* exemption is addressed in EPA's final rule of March 13, 2001 (66 FR 14760–14770). The Parties to the Protocol subsequently agreed (Decision XI/15) that the general exemption does not apply to the following uses: Testing of oil and grease, and total petroleum hydrocarbons in water; testing of tar in road-paving materials; and forensic finger-printing. EPA incorporated this exclusion at Appendix G to Subpart A of 40 CFR part 82 on February 11, 2002 (67 FR 6352).

### C. What Is the Process for Allocating Essential Use Allowances?

Before EPA may allocate essential use allowances, the Parties to the Protocol must first approve the United States' request to produce or import essential class I ODSs. The procedure set out by Decision IV/25 calls for individual Parties to nominate essential uses and the total amount of ODSs needed for those essential uses on an annual basis. The Protocol's Technology and Economic Assessment Panel evaluates the nominated essential uses and makes recommendations to the Protocol Parties. The Parties make the final decisions on whether to approve a Party's essential use nomination at their annual meeting. This nomination cycle occurs approximately two years before the year in which the allowances would be in effect. The allowances allocated

through today's action were first nominated by the United States in January 2001.

Once the U.S. nomination is approved by the Parties, EPA allocates essential use exemptions to specific entities through notice-and-comment rulemaking in a manner consistent with the Act. For medical devices, EPA requests information from manufacturers about the number and type of devices they plan to produce, as well as the amount of CFCs necessary for production. EPA then forwards the information to the Food and Drug Administration (FDA), which determines the amount of CFCs necessary for metered-dose inhalers in the coming calendar year. Based on FDA's assessment, EPA proposes allocations to each eligible entity. Under the Act and the Protocol, EPA may allocate essential use allowances in quantities that together are below or equal to the total amount approved by the Parties. EPA may not allocate essential use allowances in amounts higher than the total approved by the Parties. For 2004, the Parties authorized the United States to allocate up to 2,975 metric tons of CFCs for essential uses.

For methyl chloroform, Decision X/6 by the Parties to the Protocol established that " \* \* \* the remaining quantity of methyl chloroform authorized for the United States at previous meetings of the Parties [will] be made available for use in manufacturing solid rocket motors until such time as the 1999–2001 quantity of 176.4 tons (17.6 ODP-weighted tons) allowance is depleted, or until such time as safe alternatives are implemented for remaining essential uses." Section 604(d)(1) of the Act terminates the exemption period for methyl chloroform on January 1, 2005. Therefore, between 1999 and 2004 EPA may allow production or import up to a total of 176.4 metric tonnes of methyl chloroform for authorized essential uses.

### III. Response to Comments

EPA received one comment on the proposed rule of October 28, 2003. The comment opposed exempting Class I substances for any purpose, including asthma medication and the Space Shuttle program, because alternatives have been developed. EPA disagrees with this comment. Section 604 of the Clean Air Act, as amended, permits production of methyl chloroform for essential applications where safe and effective alternatives are not available, as well as for medical devices determined to be essential by FDA.

NASA has identified and is using alternative solvents in the Space Shuttle program in all but a few remaining applications, for which no satisfactory alternative to methyl chloroform has yet been found. The remaining applications for which there is no alternative are case insulation components cleaning, activation of rubber layers in case insulation, flex bearing cleaning, and field joint cleaning.

Regarding medical devices, FDA has found the use of ozone depleting substances to be essential in metered dose inhalers for the treatment of asthma and chronic obstructive pulmonary disease (*see* 21 CFR 2.125(e)). Consequently, there are still a number of medical devices eligible for essential use CFCs in 2004. As established by final rule on July 24, 2002 (67 FR 48370), FDA will determine through rulemaking when a medical device is no longer essential due to the availability of safe and effective alternatives.

### IV. Exemption for Methyl Chloroform for Use in the Space Shuttle and Titan Rockets

As discussed in Section II.C above, before the start of calendar year 2005 EPA may allocate up to 176.4 tons of methyl chloroform for authorized essential uses. According to reporting submitted to the EPA tracking system for ozone-depleting substances, the total amount of methyl chloroform produced or imported by essential use allowance holders (the U.S. Air Force (USAF) for Titan Rockets, and the National Aeronautics and Space Administration (NASA) for the Space Shuttle) from 1999 through the second quarter of 2003 was 34.523 metric tons. USAF and NASA have notified EPA that they do not intend to use their 2003 allowances to obtain methyl chloroform during the last two quarters of 2003. In addition, USAF has notified EPA that they have no need for 2004 allowances. Therefore, EPA finds that 141.877 tons of methyl chloroform allowances are available for 2004 and allocates that quantity to NASA.

### V. Allocation of Essential Use Allowances for Calendar Year 2004

With today's action, EPA is allocating essential use allowances for calendar year 2004 to the entities listed in Table 1. These allowances are for the production or import of the specified quantity of class I controlled substances solely for the specified essential use.

TABLE I.—ESSENTIAL USE ALLOCATION FOR CALENDAR YEAR 2004

Company	Chemical	Quantity (metric tons)
(i) Metered Dose Inhalers (for oral inhalation) for Treatment of Asthma and Chronic Obstructive Pulmonary Disease		
Armstrong Pharmaceuticals .....	CFC-11 or CFC-12 or CFC-114 .....	390.60
Aventis Pharmaceutical Products .....	CFC-11 or CFC-12 or CFC-114 .....	48.40
Boehringer Ingelheim Pharmaceuticals .....	CFC-11 or CFC-12 or CFC-114 .....	500.20
PLIVA Inc. ....	CFC-11 or CFC-12 or CFC-114 .....	136.00
Schering-Plough Corporation .....	CFC-11 or CFC-12 or CFC-114 .....	918.00
3M Pharmaceuticals .....	CFC-11 or CFC-12 or CFC-114 .....	84.71
(ii) Cleaning, Bonding and Surface Activation Applications for the Space Shuttle Rockets and Titan Rockets		
National Aeronautics and Space Administration (NASA)/ Thiokol Rocket.	Methyl Chloroform .....	141.877

**VI. Correction to 40 CFR Part 82, Sections 3 and 4(k)**

On January 2, 2003, EPA published a final rule (68 FR 237) regarding quarantine and preshipment applications of methyl bromide, which is an ozone-depleting substance. This final rule removed paragraphs (n) through (s) of 40 CFR 82.4 and redesignated paragraphs (t) through (w) as (n) through (q). However, the final rule did not also change the definition of “essential-use allowances” in § 82.3 to be consistent with the reordering of paragraphs in § 82.4. The definition of essential use allowances in § 82.3 reads, “Essential-Use Allowances means the privileges granted by § 82.4(t) to produce class I substances, as determined by allocation decisions made by the Parties to the Montreal Protocol and in accordance with the restrictions delineated in the Clean Air Act Amendments of 1990.” Therefore, for consistency with the reordered regulations, we are correcting the definition of essential use allowances to refer to § 82.4(n).

In addition, the final rule revised section 4(k) of 40 CFR Part 82 to include paragraph 4(k)(1), which states that “\* \* only essential-use allowances or exemptions are required to import class I controlled substances, with the exception of transshipments, heels, and used controlled substances.” In undertaking this revision, EPA inadvertently deleted a phrase that had appeared in the prior version of this statement. EPA proposed to restore the deleted phrase by correcting the statement in question to read, “\* \* only essential use allowances or exemptions are required to import class I controlled substances, with the exception of transshipments, heels, used controlled substances, and essential use CFCs.” This correction clarifies that the import restriction does not apply to

CFCs produced by non-U.S. entities under the authority of privileges granted by the Parties and the national authority of another country for use in essential metered dose inhalers. See 67 FR 6351 (February 11, 2002). We did not receive comments on this matter. Therefore, we are adopting the corrected statement.

**VII. Statutory and Executive Order Reviews**

*A. Executive Order 12866: Regulatory Planning and Review*

Under Executive Order 12866 (58 FR 51735, October 4, 1993), the Agency must determine whether this regulatory action is “significant” and therefore subject to review by the Office of Management and Budget (OMB) and the requirements of the Executive Order. The Order defines “significant regulatory action” as one that is likely to result in a rule that may:

- (1) 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;
- (2) Create a serious inconsistency or otherwise interfere with an action taken or planned by another agency;
- (3) Materially alter the budgetary impact of entitlements, grants, user fees, or loan programs or the rights and obligations of recipients thereof; or
- (4) Raise novel legal or policy issues arising out of legal mandates, the President’s priorities, or the principles set forth in the Executive Order.

It has been determined that this action is not a “significant regulatory action” under the terms of Executive Order 12866 and is therefore not subject to OMB review.

*B. Paperwork Reduction Act*

This action does not add any information collection requirements or increase burden under the provisions of the Paperwork Reduction Act, 44 U.S.C. 3501 *et. seq.* OMB previously approved the information collection requirements contained in the final rule promulgated on May 10, 1995, and assigned OMB control number 2060-0170 (EPA ICR No. 1432.21).

Burden means the total time, effort, or financial resources expended by persons to generate, maintain, retain, or disclose or provide information to or for a Federal agency. This includes the time needed to review instruction; develop, acquire, install, and utilize technology and systems for the purposes of collecting, validating, and verifying information, processing and maintaining information, and disclosing and providing information; adjust the existing ways to comply with any previously applicable instructions and requirements; train personnel to be able to respond to a collection of information; search data sources; complete and review the collection of information; and transmit or otherwise disclose the information. 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 OMB control numbers for EPA’s regulations are listed in 40 CFR part 9 and 48 CFR Chapter 1.

*C. Regulatory Flexibility Act*

EPA has determined that it is not necessary to prepare a regulatory flexibility analysis in connection with this final rule. EPA has also determined that this rule will not have a significant economic impact on a substantial number of small entities. For purposes of assessing the impact of today’s rule on small entities, small entities are defined as: (1) Pharmaceutical

preparations manufacturing businesses (NAICS code 325412) that have 750 employees or fewer; (2) a small governmental jurisdiction that is a government of a city, county, town, school district or special district with a population of less than 50,000; and (3) a small organization that is any not-for-profit enterprise that is independently owned and operated and is not dominant in its field.

After considering the economic impacts of today's final rule on small entities, EPA has concluded that this action will not have a significant economic impact on a substantial number of small entities. In determining whether a rule has a significant economic impact on a substantial number of small entities, the impact of concern is any significant adverse economic impact on small entities, since the primary purpose of the regulatory flexibility analyses is to identify and address regulatory alternatives "which minimize any significant economic impact of the proposed rule on small entities." 5 U.S.C. 603 and 604. Thus, an agency may conclude that a rule will not have a significant economic impact on a substantial number of small entities if the rule relieves regulatory burden, or otherwise has a positive economic effect on all of the small entities subject to the rule. This rule provides an otherwise unavailable benefit to those companies that are receiving essential use allowances. We have therefore concluded that today's final rule will relieve regulatory burden for all small entities.

#### *D. Unfunded Mandates Reform Act*

Title II of the Unfunded Mandates Reform Act of 1995 (UMRA), Pub. L. 104-4, establishes requirements for Federal agencies to assess the effects of their regulatory actions on State, local, and tribal governments and the private sector. Under section 202 of the UMRA, EPA generally must prepare a written statement, including a cost-benefit analysis, for proposed and final rules with "Federal mandates" that may result in expenditures to State, local, and tribal governments, in the aggregate, or to the private sector, of \$100 million or more in any one year.

Before promulgating an EPA rule for which a written statement is needed, section 205 of the UMRA generally requires EPA to identify and consider a reasonable number of regulatory alternatives and adopt the least costly, most cost-effective, or least burdensome alternative that achieves the objectives of the rule. The provisions of section 205 do not apply when they are

inconsistent with applicable law. Moreover, section 205 allows EPA to adopt an alternative other than the least costly, most cost-effective, or least burdensome alternative, if the Administrator publishes with the final rule an explanation why that alternative was not adopted.

Before EPA establishes any regulatory requirements that may significantly or uniquely affect small governments, including tribal governments, it must have developed a small government agency plan under section 203 of the UMRA. The plan must provide for notifying potentially affected small governments, enabling officials of affected small governments to have meaningful and timely input in the development of EPA regulatory proposals with significant Federal intergovernmental mandates, and informing, educating, and advising small governments on compliance with the regulatory requirements.

Today's rule contains no Federal mandates (under the regulatory provisions of Title II of the UMRA) for State, local, or tribal governments or the private sector, since it merely provides exemptions from the 1996 phase out of class I ODSs. Similarly, EPA has determined that this rule contains no regulatory requirements that might significantly or uniquely affect small governments, because this rule merely allocates essential use exemptions to entities as an exemption to the ban on production and import of class I ODSs.

#### *E. Executive Order 13132: Federalism*

Executive Order 13132, entitled "Federalism" (64 FR 43255, August 10, 1999), requires EPA to develop an accountable process to ensure "meaningful and timely input by State and local officials in the development of regulatory policies that have federalism implications." "Policies that have federalism implications" is defined in the Executive Order to include regulations that 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."

This final rule does not have federalism implications. It will 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, as specified in Executive Order 13132. Thus, Executive Order 13132 does not apply to this rule.

#### *F. Executive Order 13175: Consultation and Coordination With Indian Tribal Governments*

Executive Order 13175, entitled "Consultation and Coordination with Indian Tribal Governments" (65 FR 67249, November 9, 2000), requires EPA to develop an accountable process to ensure "meaningful and timely input by tribal officials in the development of regulatory policies that have tribal implications." This final rule does not have tribal implications, as specified in Executive Order 13175. Today's rule affects only the companies that requested essential use allowances. Thus, Executive Order 13175 does not apply to this rule.

#### *G. Executive Order 13045: Protection of Children From Environmental Health Risks and Safety Risks*

Executive Order 13045, "Protection of Children from Environmental Health risks and Safety Risks" (62 FR 19885, April 23, 1997), applies to any rule that (1) is determined to be "economically significant" as defined under E.O. 12866, and (2) concerns an environmental health and safety risk that EPA has reason to believe may have a disproportionate effect on children. If the regulatory action meets both criteria, the Agency must evaluate the environmental health or safety effects of the planned rule on children, and explain why the planned regulation is preferable to other potentially effective and reasonably feasible alternatives considered by the Agency. EPA interprets E.O. 13045 as applying only to those regulatory actions that are based on health or safety risks, such that the analysis required under section 5-501 of the Order has the potential to influence the regulation. This rule is not subject to E.O. 13045 because it implements the phase-out schedule and exemptions established by Congress in Title VI of the Clean Air Act.

#### *H. Executive Order 13211: Actions That Significantly Affect Energy Supply, Distribution, or Use*

This rule is not subject to Executive Order 13211, Actions Concerning Regulations That Significantly Affect Energy Supply, Distribution, or Use (66 FR 28355, May 22, 2001) because it is not a significant regulatory action under Executive Order 12866.

#### *I. National Technology Transfer and Advancement Act*

Section 12(d) of the National Technology Transfer and Advancement Act of 1995 ("NTTAA"), Public Law No. 104-113, section 12(d) (15 U.S.C. 272 note) directs EPA to use voluntary

consensus standards in this regulatory activities unless to do so would be inconsistent with applicable law or otherwise impractical. Voluntary consensus standards are technical standards (e.g., materials specifications, test methods, sampling procedures, and business practices) that are developed or adopted by voluntary consensus standards bodies. The NTTAA directs EPA to provide Congress, through OMB, explanations when the Agency decides not to use available and applicable voluntary consensus standards. This final rule does not involve technical standards. Therefore, EPA did not consider the use of any voluntary consensus standards.

*J. Congressional Review Act*

The Congressional Review Act, 5 U.S.C. 801 *et seq.*, as added by the Small Business Regulatory Enforcement Fairness Act of 1996, generally provides that before a rule may take effect, the agency promulgating the rule must submit a rule report, which includes a copy of the rule, to each House of the Congress and to the Comptroller General of the United States. Therefore, EPA will submit a report containing this rule and other required information to the U.S. Senate, the U.S. House of Representatives, and the Comptroller General of the United States prior to publication of the rule in the **Federal Register**. A major rule cannot take effect until 60 days after it is published in the **Federal Register**. This rule is not a "major rule" as defined by 5 U.S.C. 804(2). This rule will be effective January 28, 2004.

**VIII. Judicial Review**

Under section 307(b)(1) of the Act, EPA finds that these regulations are of national applicability. Accordingly, judicial review of the action is available

only by the filing of a petition for review in the United States Court of Appeals for the District of Columbia Circuit within sixty days of publication of the action in the **Federal Register**. Under section 307(b)(2), the requirements of this rule may not be challenged later in judicial proceedings brought to enforce those requirements.

**List of Subjects in 40 CFR Part 82**

Administrative practice and procedure, Air pollution control, Chemicals, Chlorofluorocarbons, Exports, Environmental protection, Imports, Methyl Chloroform, Ozone, Reporting and recordkeeping requirements.

Dated: January 21, 2004.

**Michael O. Leavitt,**  
*Administrator.*

■ 40 CFR part 82 is amended as follows:

**PART 82—PROTECTION OF STRATOSPHERIC OZONE**

■ 1. The authority citation for part 82 continues to read as follows:

**Authority:** 42 U.S.C. 7414, 7601, 7671–7671q.

**Subpart A—Production and Consumption Controls**

■ 2. Section 82.3 is amended by revising the definition of Essential Use Allowances to read as follows:

**§ 82.3 Definitions for class I and class II controlled substances.**

\* \* \* \* \*

*Essential-Use Allowances* means the privileges granted by § 82.4(n) to produce class I substances, as determined by allocation decisions made by the Parties to the Montreal Protocol and in accordance with the

restrictions delineated in the Clean Air Act Amendments of 1990.

\* \* \* \* \*

■ 3. Section 82.4 is amended by revising paragraph (k)(1) and the table in paragraph (n)(2) to read as follows:

**§ 82.4 Prohibitions for class I controlled substances.**

\* \* \* \* \*

(k)(1) Prior to January 1, 1996, for all Groups of class I controlled substances, and prior to January 1, 2005, for class I, Group VI controlled substances, a person may not use production allowances to produce a quantity of a class I controlled substance unless that person holds under the authority of this subpart at the same time consumption allowances sufficient to cover that quantity of class I controlled substances nor may a person use consumption allowances to produce a quantity of class I controlled substances unless the person holds under authority of this subpart at the same time production allowances sufficient to cover that quantity of class I controlled substances. However, prior to January 1, 1996, for all class I controlled substances, and prior to January 1, 2005, for class I, Group VI controlled substances, only consumption allowances are required to import, with the exception of transshipments, heels, and used controlled substances. Effective January 1, 1996, for all Groups of class I controlled substances, except Group VI, only essential use allowances or exemptions are required to import class I controlled substances, with the exception of transshipments, heels, used controlled substances, and essential use CFCs.

\* \* \* \* \*

(n) \* \* \*  
(2) \* \* \*

TABLE I.—ESSENTIAL USE ALLOCATION FOR CALENDAR YEAR 2004

Company	Chemical	Quantity (metric tons)
(i) Metered Dose Inhalers (for oral inhalation) for Treatment of Asthma and Chronic Obstructive Pulmonary Disease		
Armstrong Pharmaceuticals .....	CFC–11 or CFC–12 or CFC–114 .....	390.60
Aventis Pharmaceutical Products .....	CFC–11 or CFC–12 or CFC–114 .....	48.40
Boehringer Ingelheim Pharmaceuticals .....	CFC–11 or CFC–12 or CFC–114 .....	500.20
PLIVA Inc. ....	CFC–11 or CFC–12 or CFC–114 .....	136.00
Schering-Plough Corporation .....	CFC–11 or CFC–12 or CFC–114 .....	918.00
3M Pharmaceuticals .....	CFC–11 or CFC–12 or CFC–114 .....	84.71
(ii) Cleaning, Bonding and Surface Activation Applications for the Space Shuttle Rockets		
National Aeronautics and Space Administration (NASA)/ Thiokol Rocket.	Methyl Chloroform .....	141.877

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**ENVIRONMENTAL PROTECTION AGENCY****40 CFR Part 180****[OPP-2003-0356; FRL-7341-1]****Copper (II) Hydroxide; Exemption from the Requirement of a Tolerance****AGENCY:** Environmental Protection Agency (EPA).**ACTION:** Final rule.

**SUMMARY:** This regulation establishes an exemption from the requirement of a tolerance for residues of copper (II) hydroxide on raw agricultural commodities when used as an inert ingredient (for pH control) in pesticide products. Syngenta Crop Protection submitted a petition to EPA under the Federal Food, Drug, and Cosmetic Act (FFDCA), as amended by the Food Quality Protection Act of 1996 (FQPA), requesting an exemption from the requirement of a tolerance. This regulation eliminates the need to establish a maximum permissible level for residues of copper (II) hydroxide.

**DATES:** This regulation is effective January 28, 2004. Objections and requests for hearings, identified by docket ID number OPP-2003-0356, must be received on or before March 29, 2004.

**ADDRESSES:** Written objections and hearing requests may be submitted electronically, by mail, or through hand delivery/courier. Follow the detailed instructions as provided in Unit IX. of the **SUPPLEMENTARY INFORMATION**.

**FOR FURTHER INFORMATION CONTACT:** Princess Campbell, Registration Division (7505C), Office of Pesticide Programs, Environmental Protection Agency, 1200 Pennsylvania Ave., NW., Washington, DC 20460-0001; telephone number: (703) 308-8033; e-mail address: [campbell.princess@epa.gov](mailto:campbell.princess@epa.gov).

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

You may be potentially affected by this action if you are an agricultural producer, food manufacturer, or pesticide manufacturer. Potentially affected entities may include, but are not limited to:

- Crop production (NAICS code 111)
- Animal Production (NAICS code 112)
- Food manufacturing (NAICS code 311)

- Pesticide manufacturing (NAICS code 32532)

This listing is not intended to be exhaustive, but rather provides a guide for readers regarding entities likely to be affected by this action. Other types of entities not listed in this unit could also be affected. The North American Industrial Classification System (NAICS) codes have been provided to assist you and others in determining whether this action might apply to certain entities. 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 Copies of this Document and Other Related Information?*

1. *Docket.* EPA has established an official public docket for this action under docket identification (ID) number OPP-2003-0356. The official public docket consists of the documents specifically referenced in this action, any public comments received, and other information related to this action. Although a part of the official docket, the public docket does not include Confidential Business Information (CBI) or other information whose disclosure is restricted by statute. The official public docket is the collection of materials that is available for public viewing at the Public Information and Records Integrity Branch (PIRIB), Rm. 119, Crystal Mall #2, 1921 Jefferson Davis Hwy., Arlington, VA. This docket facility is open from 8:30 a.m. to 4 p.m., Monday through Friday, excluding legal holidays. The docket telephone number is (703) 305-5805.

2. *Electronic access.* You may access this **Federal Register** document electronically through the EPA Internet under the "**Federal Register**" listings at <http://www.epa.gov/fedrgstr/>. A frequently updated electronic version of 40 CFR part 180 is available at [http://www.access.gpo.gov/nara/cfr/cfrhtml\\_00/Title\\_40/40cfr180\\_00.html](http://www.access.gpo.gov/nara/cfr/cfrhtml_00/Title_40/40cfr180_00.html), a beta site currently under development.

An electronic version of the public docket is available through EPA's electronic public docket and comment system, EPA Dockets. You may use EPA Dockets at <http://www.epa.gov/edocket/> to submit or view public comments, access the index listing of the contents of the official public docket, and to access those documents in the public docket that are available electronically. Although not all docket materials may be available electronically, you may still access any of the publicly available docket materials through the docket facility identified in Unit I.B.1. Once in

the system, select "search," then key in the appropriate docket ID number.

**II. Background and Statutory Findings**

In the **Federal Register** of July 2, 2003 (68 FR 39554) (FRL-7315-2), EPA issued a notice pursuant to section 408 of FFDCA, 21 U.S.C. 346a, as amended by FQPA (Public Law 104-170), announcing the filing of a pesticide tolerance petition (PP 2E6471) by Syngenta Crop Protection, P.O. Box 18300, Greensboro, North Carolina 27419-8300. The notice included a summary of the petition prepared by the petitioner Syngenta Crop Protection. There were no comments received in response to the notice of filing.

The petition requested that 40 CFR 180.1021 be amended by establishing an exemption from the requirement of a tolerance for residues of copper (II) hydroxide (CAS Reg. No. 20427-59-2).

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

EPA performs a number of analyses to determine the risks from aggregate exposure to pesticide residues. First, EPA determines the toxicity of pesticides. Second, EPA examines exposure to the pesticide through food, drinking water, and through other exposures that occur as a result of pesticide use in residential settings.

**III. Human Health Assessment**

Consistent with section 408(b)(2)(D) of FFDCA, EPA has reviewed the available scientific data and other relevant information in support of this action and considered its validity, completeness and reliability and the relationship of this information to human risk. EPA has also considered available information concerning the