DEPARTMENT OF THE TREASURY
Alcohol and Tobacco Tax and Trade Bureau

27 CFR Part 9

[Docket No. TTB–2007–0012; T.D. TTB–69; Re: Notice No. 63]
RIN 1513–AB20

Establishment of the Swan Creek Viticultural Area (2005R–414P)

AGENCY: Alcohol and Tobacco Tax and Trade Bureau, Treasury.

ACTION: Final rule; Treasury decision.

SUMMARY: This Treasury decision establishes the “Swan Creek” viticultural area in Wilkes, Yadkin, and Iredell Counties, North Carolina. We designate viticultural areas to allow vintners to better describe the origin of their wines and to allow consumers to better identify wines they may purchase.

DATES: Effective Date: May 27, 2008.

FOR FURTHER INFORMATION CONTACT: N. A. Sutton, Regulations and Rulings Division, Alcohol and Tobacco Tax and Trade Bureau, 925 Lakeville Street, No. 158, Petaluma, CA 94952; telephone 415–271–1254.

SUPPLEMENTARY INFORMATION:

Background on Viticultural Areas

TTB Authority

Section 105(e) of the Federal Alcohol Administration Act (FAA Act), 27 U.S.C. 205(e), authorizes the Secretary of the Treasury to prescribe regulations for the labeling of wine, distilled spirits, and malt beverages. The FAA Act provides that these regulations should, among other things, prohibit consumer deception and the use of misleading statements on labels, and ensure that labels provide the consumer with adequate information as to the identity and quality of the product. The Alcohol and Tobacco Tax and Trade Bureau (TTB) administers the regulations promulgated under the FAA Act.

2. For the purpose of these special conditions, the following definition applies: Critical Functions: Functions whose failure would contribute to, or cause, a failure condition that would prevent the continued safe flight and landing of the airplane.

Supplementary Information:

Swan Creek Viticultural Area

Background

Raffaldini Vineyards submitted a petition to establish the 96,000-acre “Swan Creek” viticultural area on behalf of the Vineyards of Swan Creek, a trade association representing a group of vineyards and wineries in northwestern North Carolina. Three wineries and 75 acres of vineyards are located within the proposed Swan Creek viticultural area. The boundary of the proposed viticultural area incorporates portions of Wilkes, Yadkin, and Iredell Counties and includes a portion of the established Yadkin Valley viticultural area (27 CFR 9.174). We summarize below the evidence submitted in support of the petition.

Name and Boundary Evidence

The petitioner explains that the geographical name “Swan Creek” refers to a village in the approximate center of the proposed viticultural area, as well as a Yadkin River tributary creek system. As shown in the southwest portion of the provided 1:100,000-scale USGS Winston-Salem, North Carolina topographic map, Swan Creek village sits in the Brushy Mountains south of the Yadkin River. East and West Swan Creeks run north from the mountains before joining together as Swan Creek to the northwest of the village. The creek then empties into the Yadkin River approximately three miles west of Jonesville. Also, an undated State of North Carolina Department of Environment, Health, and Natural Resources document lists Swan Creek, West Swan Creek, and East Swan Creek as streams in the Yadkin-Pee Dee River Basin.

The DeLorme North Carolina Atlas and Gazetteer identifies the village as “Swancreek,” with East Swan Creek and West Swan Creek to its northwest. The petitioner explains that both names, “Swan Creek” and “Swancreek,” reference the proposed viticultural area region. However, the two-word spelling is the more common usage for businesses, roads, creeks, and historical documents, which led the petitioner to identify the proposed viticultural area as “Swan Creek.”

As further evidence of the significance of the “Swan Creek” name within the proposed area, the local Wilkes Telephone Membership Corp. telephone book, which covers the region that includes the proposed viticultural area, lists an airport, a church, and three
businesses using “Swan Creek” in their names. Also, the September 7, 2004, minutes of a Yadkin County Commission meeting includes a reference to the Swan Creek area and improvements to Swan Creek Road. Additionally, a National Weather Service bulletin from January 13, 2005, warns of the possibility of a tornado in the Swan Creek area. The name is also repeatedly used in the “Vineyards of Swan Creek Wine Trail” Web site (http://www.swancreekvineyards.com).

The petitioner relies on geographical and man-made elements identifiable on the supplied USGS maps to define and draw the boundary for the proposed viticultural area. Climate data and historic evidence that documents the breadth of the “Swan Creek” name also legitimize the proposed boundary line, according to the petitioner.

From the regional history of the Yadkin Valley, the petitioner connects the “Swan Creek” name to stories of Revolutionary War soldiers traveling along the Yadkin River, the proposed Swan Creek viticultural area’s northern boundary line, while en route to the pivotal battle at King’s Mountain in South Carolina. Also, during the Civil War, Union Major General George Stoneman led troops through the Swan Creek region to Virginia. Historic manuscripts maintain that frontiersman Daniel Boone homesteaded in the Swan Creek region in the 1750s.

According to the petition, farming become more prominent in the Swan Creek area after the Civil War, the Swan Creek area, and agriculture continues to characterize this rural region. Today, agriculture in the Swan Creek region includes viticulture, with 75 acres within the proposed Swan Creek viticultural area currently dedicated to grape growing.

The geology of the Swan Creek region, along with its minor climatic variation, also creates distinguishing viticultural features upon which to base the proposed Swan Creek viticultural area’s boundary. The entire proposed viticultural area lies within the Yadkin River Basin. The general uniformity in the Swan Creek region’s soils is attributable to the natural weathering process of the Brushy Mountains and the Brevard Shear Zone, a major fault system that also defines the Blue Ridge Escarpment in the area. The homogeneous soil within the proposed viticultural area is unlike the varied soils and rock types found in other parts of the Yadkin Valley viticultural area.

The proposed Swan Creek viticultural area boundary overlaps the established Yadkin Valley viticultural area as shown in the table below.

<table>
<thead>
<tr>
<th>Viticultural areas</th>
<th>Total acres</th>
<th>Overlapping acres</th>
<th>Percent overlapping</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yadkin Valley</td>
<td>1,416,000</td>
<td>57,600</td>
<td>4</td>
</tr>
<tr>
<td>Swan Creek (Proposed)</td>
<td>96,000</td>
<td>57,600</td>
<td>60</td>
</tr>
</tbody>
</table>

The northern 60 percent of the proposed Swan Creek viticultural area sits within the Yadkin Valley viticultural area, with the remaining 40 percent south of the Yadkin Valley viticultural area boundary line, according to the petition maps. The discussion below includes evidence regarding the differences between the established Yadkin Valley viticultural area and the proposed Swan Creek viticultural area, which, according to the petitioner, justifies the proposed boundary line.

**Distinguishing Features**

Situated in the moderate elevations of the Brushy Mountains, and bordering the Yadkin River on the north, the proposed Swan Creek viticultural area’s geographical location is responsible for the area’s temperate climate and homogeneous soil as compared to surrounding areas, according to the petitioner.

**Topography**

The Brushy Mountains run through the center of the Swan Creek region, with elevations in the proposed Swan Creek viticultural area varying between 1,000 feet and 2,000 feet, according to the USGS maps submitted with the petition. Within the proposed viticultural area the Brushy Mountains have elevations lower than the Blue Ridge Mountains to the west but higher than the other surrounding areas. The Blue Ridge Mountain region to the immediate west of the proposed boundary line rises to elevations of 3,000 to 5,000 feet. To the east and south of the proposed viticultural area, the elevation drops to between 500 and 1,000 feet.

**Climate**

Both the Yadkin River, which serves as the proposed Swan Creek viticultural area’s northern boundary line, and that portion of the Brushy Mountains located within the proposed viticultural area serve as climatically moderating influences.

The Swan Creek region has an average annual high temperature of 68.9 °F and an average annual low temperature of 42.8 °F. The table below shows the contrasting temperatures in the regions beyond the proposed viticultural area’s boundary line, as collected by the Southeast Regional Climate Center (SERCC) of the National Climatic Data Center.

<table>
<thead>
<tr>
<th>Region</th>
<th>Average annual maximum temperature in degrees Fahrenheit</th>
<th>Average annual minimum temperature in degrees Fahrenheit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Swan Creek</td>
<td>68.9</td>
<td>42.8</td>
</tr>
<tr>
<td>West and northwest</td>
<td>59.8</td>
<td>40.4</td>
</tr>
<tr>
<td>South and east</td>
<td>69.5</td>
<td>44.8</td>
</tr>
<tr>
<td>Yadkin Valley</td>
<td>69.5</td>
<td>44.8</td>
</tr>
</tbody>
</table>

The SERCC data shows that the Swan Creek area is generally warmer than the regions to the west and northwest, cooler than the regions to the south and east, and slightly cooler than the Yadkin Valley as a whole. Also, average January temperatures of 20 °F to 25 °F make the Swan Creek region less prone to Pierce’s Disease, which adversely affects vineyards, than the majority of the Yadkin Valley viticultural area.
The proposed Swan Creek viticultural area averages 3,576 degree days of heat accumulation annually, which puts it in climatic region IV, according to temperature data collected by the SERCC. (As a measurement of heat accumulation during the growing season, one degree day accumulates for each degree Fahrenheit that a day’s mean temperature is above 50 degrees, which is the minimum temperature required for grapevine growth. See “General Viticulture,” by Albert J. Winkler, University of California Press, 1974.)

The surrounding areas, based on Amerine and Winkler heat summation definitions, include climatic regions IV and V to the east, region V to the south, and region I to the west-northwest.

The frost-free season of the proposed Swan Creek viticultural area extends on average from April 19 to October 17 annually, according to the “Average Last Spring Frost Dates for Selected North Carolina Locations,” horticulture information leaflets (published December 1996 and revised December 1998), by Katharine Perry, North Carolina State University. According to the petition, this frost-free season is nearly identical to Surry County, which is part of the Yadkin Valley viticultural area located immediately northeast of the proposed Swan Creek viticultural area. However, southeast of the proposed viticultural area, but also within the Yadkin Valley viticultural area, the Davidson County frost-free season runs on average from March 31 to October 31, resulting in a month less frost than in the proposed Swan Creek viticultural area. The frost-free season varies in counties outside the Yadkin Valley viticultural area and the proposed Swan Creek viticultural area, extending three weeks longer to the east and lasting four to six weeks less in regions to the west and northwest.

The growing season of the proposed Swan Creek viticultural area averages 170 to 190 days annually, according to Perry’s “Average Growing Seasons for Selected North Carolina Locations,” horticulture information leaflets (published December 1996 and revised December 1998). Again, this growing season is almost identical to Surry County, located immediately northeast within the Yadkin Valley viticultural area. However, according to Perry’s data, Davidson County averages a 214-day growing season annually, or between 24 and 44 more growing days than the proposed Swan Creek viticultural area. Similarly, the petition shows that Wilkes County to the east has an annual growing season of between 199 and 210 days. Counties to the west and northwest of the Swan Creek region have a significantly shorter growing season, lasting an average of 139 to 162 days.

Pretification

The petitioner attributes the moderate rainfall within the proposed viticultural area to the protective influence of the Brushy Mountains. Rainfall within the proposed Swan Creek viticultural area averages 48.6 inches annually, based on SERCC data, with the local grape growers surveyed by the petitioner recording less rainfall at their own weather stations. The areas to the west and northwest of the proposed viticultural area average 57 inches each year, while regions to the south and east average 44.4 inches of rain annually. Furthermore, snowfall within the proposed Swan Creek viticultural area averages 6.3 inches annually, based on SERCC records, which is far less than the data recorded at weather stations in surrounding areas.

Geology

The documentation and evidence provided for the petition by Matthew Mayberry of the Mayberry Land Company, Elkin, North Carolina, indicate that the geology of the proposed Swan Creek viticultural area is shaped by plate tectonics and a spectrum of uplift and erosion for the entire Appalachian Mountains building cycle. The Swan Creek region is part of the larger Appalachian Mountain Range area that has gone through at least three cycles of uplift and erosion, with each cycle lasting around 300 million years. Also, the weathering and erosion cycles created the resulting Piedmont and Blue Ridge surfaces found in the proposed viticultural area today.

Mr. Mayberry explains that the four predominant rock types in the proposed viticultural area are Henderson Gneiss, Granite, Biotite Gneiss and Biotite Amphibolite Gneiss, and Sillimanite Mica Schist. These types underlay more than 90 percent of the Swan Creek area, with the latter three predominant in the southern half of the area. Along the proposed north boundary line at the Yadkin River the predominant rock types include Ash Formation, Ultramafics, and Granitic Rocks of the Crossnore Group.

Soil

The soil information in the Swan Creek viticultural area petition is compiled from the published soil surveys of Wilkes, Yadkin, and Iredell Counties in North Carolina. Roy Mathis, Soil Specialist for Correlations, Natural Resources Conservation Service, United States Department of Agriculture, provided the soil information included in the petition.

The soils surrounding the proposed Swan Creek viticultural area have soils with differing characteristics, Mr. Mathis explains. The areas to the south and east have high shrink-swell clayey soils, which are less desirable for agriculture. To the west and north are the mountainous rocks and soils of the encroaching Blue Ridge Mountains. Also, the Yadkin Valley viticultural area, which surrounds the proposed Swan Creek viticultural area to the west, north, and east, has a greater variety of soil types and temperature regimes.

The proposed Swan Creek viticultural area mesic temperature regime has soil temperatures of 47 °F to 59 °F at the depth of 20 inches, according to Mr. Mathis. In comparison, the Yadkin Valley viticultural area is in both the mesic and thermic temperature regimes, with much warmer soil temperatures at the same depth that range from 59 °F to 72 °F at the same soil depth.

Mr. Mathis explains that the soils in the proposed Swan Creek viticultural area are primarily saprolite, a soft, clay-rich soil derived from weathered felsic (acidic) metamorphic rocks of the Inner Piedmont Belt such as granites, schists, and gneisses. The region includes a small area of Sauratown Belt with the rocks being primarily metagraywacke. In contrast, the surrounding west and north areas include residuum (saprolite) weathered from felsic metamorphic rocks such as gneisses, schists, and phyllites of the Blue Ridge Geologic Belt and Smith River Allochthon. The saprolite in the surrounding area to the east is composed of weathered igneous intrusive rocks like granites, gabbros, and diorites, as well as some gneisses and schists of the Charlotte Belt.

Evard and Cowee soils, which have moderate permeability and are well-drained with a loamy surface and sub-soil layer, predominate in the Brushy Mountains. The dominant ridge top soils of the proposed Swan Creek viticultural area also include the Fairview and Clifford series. These soils have sandy clay loam or clay loam surface layers with red clayey sub-soils, and are well-drained with moderate permeability.

Rhodhiss series is the dominant soil on the steep side slopes within the proposed viticultural area boundary. This well-drained soil has a loamy surface and moderate permeability at the sub-soil level. Mr. Mathis notes that Fairview, Clifford, and Rhodhiss soils also have bedrock deeper than 60 inches. The Yadkin River is the proposed north boundary of the proposed Swan Creek viticultural area.
viticultural area, has alluvial soil diversity with textures and drainage. In general, most of the proposed Swan Creek viticultural area soils are acidic and low in natural fertility.

**Notice of Proposed Rulemaking and Comments Received**

TTB published Notice No. 63 regarding the proposed Swan Creek viticultural area in the Federal Register on September 12, 2006 (71 FR 53612). In response to that notice, we received one comment supporting establishment of the proposed Swan Creek viticultural area from U.S. Representative Virginia Foxx of North Carolina.

**TTB Finding**

After careful review of the petition, TTB finds that the evidence submitted supports the establishment of the proposed viticultural area. Although a portion of the proposed viticultural area falls within the boundary of the existing Yadkin Valley viticultural area, and notwithstanding the fact that the two areas share some common features, we believe that the submitted evidence regarding climate and soil type and temperature supports the conclusion that the proposed new viticultural area is sufficiently different from the rest of the Yadkin Valley viticultural area. We also believe that establishment of the new viticultural area without changing the boundary of the existing viticultural area to exclude the overlap area would best protect labels and other commercial interests of existing viticultural entities within the overlap area. Accordingly, under the authority of the Federal Alcohol Administration Act and part 4 of our regulations, we establish the “Swan Creek” American viticultural area in Wilkes, Yadkin, and Iredell Counties, North Carolina, effective 30 days from the publication date of this document.

**Boundary Description**

See the narrative boundary description of the viticultural area in the regulatory text published at the end of this document.

**Maps**

The maps for determining the boundary of the viticultural area are listed below in the regulatory text.

**Impact on Current Wine Labels**

Part 4 of the TTB regulations prohibits any label reference on a wine that indicates or implies an origin other than the wine’s true place of origin. With the establishment of this viticultural area and its inclusion in part 9 of the TTB regulations, its name, “Swan Creek,” is recognized under 27 CFR 4.39(i)(3) as a name of viticultural significance. The text of the new regulation clarifies this point. Consequently, wine bottlers using “Swan Creek” in a brand name, including a trademark, or in another label reference as to the origin of the wine, must ensure that the product is eligible to use the viticultural area’s name as an appellation of origin.

For a wine to be labeled with a viticultural area name or with a brand name that includes a viticultural area name or other term specified as having viticultural significance in part 9 of the TTB regulations, at least 85 percent of the wine must be derived from grapes grown within the area represented by that name or other term, and the wine must meet the other conditions listed in 27 CFR 4.25(e)(3). If the wine is not eligible to use the viticultural area name or other term of viticultural significance as an appellation of origin and that name or other term appears in the brand name, then the label is not in compliance and the bottler must change the brand name and obtain approval of a new label. Similarly, if the viticultural area name or other term of viticultural significance appears in another reference on the label in a misleading manner, the bottler would have to obtain approval of a new label.

Different rules apply if a wine has a brand name containing a viticultural area name or other term of viticultural significance that was used as a brand name on a label approved before July 7, 1986. See 27 CFR 4.39(i)(2) for details.

**Regulatory Flexibility Act**

We certify that this regulation will not have a significant economic impact on a substantial number of small entities. This regulation imposes no new reporting, recordkeeping, or other administrative requirement. Any benefit derived from the use of a viticultural area name is the result of a proprietor’s efforts and consumer acceptance of wines from that area. Therefore, no regulatory flexibility analysis is required.

**Executive Order 12866**

This rule is not a significant regulatory action as defined by Executive Order 12866. Therefore, it requires no regulatory assessment.

**Drafing Information**

N. A. Sutton of the Regulations and Rulings Division drafted this notice.

**List of Subjects in 27 CFR Part 9**

Wine.

The Regulatory Amendment

- For the reasons discussed in the preamble, we amend title 27 CFR, chapter 1, part 9, as follows:

**PART 9—AMERICAN VITICULTURAL AREAS**

- 1. The authority citation for part 9 continues to read as follows:

  **Authority:** 27 U.S.C. 205.

**Subpart C—Approved American Viticultural Areas**

- 2. Amend subpart C by adding § 9.211 to read as follows:

  § 9.211 Swan Creek.

  **(a) Name.** The name of the viticultural area described in this section is “Swan Creek”. For purposes of part 4 of this chapter, “Swan Creek” is a term of viticultural significance.

  **(b) Approved Maps.** The appropriate maps for determining the boundaries of the Swan Creek viticultural area are three United States Geological Survey (USGS) 1:100,000 scale topographic maps. They are titled:

  (1) Winston-Salem, North Carolina, 1984, photoinspected 1982;

  (2) Boone, North Carolina-Tennessee, 1985; and


  **(c) Boundary.** The Swan Creek viticultural area is located in Wilkes, Yadkin, and Iredell Counties, North Carolina. The boundary of the Swan Creek viticultural area is as described below:

  (1) The beginning point is on the Winston-Salem, North Carolina map at the intersection of the Yadkin River and U.S. Highway 21, along the Surry-Yadkin county line, between Elkin and Jonesville;

  (2) From the beginning point, proceed 24.6 miles generally south on U.S. Highway 21, crossing onto the Salisbury, North Carolina map, to the intersection of U.S. Highway 21 with Rocky Creek at Turnersburg; then

  (3) Proceed 12.3 miles generally north and west along Rocky Creek, returning to the Winston-Salem map, to the intersection of Rocky Creek with State Highway 115 at New Hope in the southwest corner of the map; then

  (4) Proceed 15.5 miles generally northwest along State Highway 115, crossing onto the Boone, North Carolina-Tennessee map, to the intersection of State Highway 115 and the Yadkin River, at North Wilkesboro; and

  (5) Proceed 16.7 miles generally east-northeast along the Yadkin River,
DEPARTMENT OF HOMELAND SECURITY

Coast Guard

33 CFR Part 117
[Docket No. USCG–2008–0001]

Drawbridge Operation Regulations; Chelsea River, Chelsea and East Boston, MA

AGENCY: Coast Guard, DHS.

ACTION: Notice of temporary deviation from regulations.

SUMMARY: The Commander, First Coast Guard District, has issued a temporary deviation from the regulation governing the operation of the P.J. McArdle Bridge across the Chelsea River, mile 0.3, between Chelsea and East Boston, Massachusetts. This deviation is necessary to facilitate the annual Chelsea River Revel and 5K Road Race. This deviation allows the bridge to remain in the closed position during the running of the 5K Road Race. Vessels that can pass under the draw without a bridge opening may do so at all times.

DATES: This deviation is effective from 8 a.m. through 5 p.m. on June 14, 2008. Vessels able to pass under the closed draw may do so at any time. Tankers, and tug and barge units transit Chelsea Creek under the McArdle Bridge. Waterway users were advised of the requested bridge closure period and offered no objection.

In accordance with 33 CFR 117.35(e), the bridge must return to its regular operating schedule immediately at the end of the designated time period. This deviation from the operating regulations is authorized under 33 CFR 117.35.

Dated: April 17, 2008.

Gary Kasof,
Bridge Program Manager, First Coast Guard District.

[FR Doc. E8–8993 Filed 4–24–08; 8:45 am]

BILLING CODE 4910–15–P

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 79

RIN 2060–AN94

Regulation of Fuels and Fuel Additives: Revised Definition of Substantially Similar Rule for Alaska

AGENCY: Environmental Protection Agency (EPA).

ACTION: Direct final interpretive rule.

SUMMARY: EPA is taking direct final action to revise an interpretive rule defining the term “substantially similar” for unleaded gasoline as that phrase is used in section 211(f) of the Clean Air Act (the Act). To meet the current definition, fuel or fuel additives must possess, at the time of manufacture, all of the physical and chemical characteristics of an unleaded gasoline as specified in ASTM Standard D 4814–88 for at least one of the Seasonal and Geographical Volatility Classes specified in the standard. EPA is amending the definition to allow some additional flexibility for the vapor/liquid ratio specification for fuel introduced into commerce in the state of Alaska in order to improve cold starting for vehicles during the winter months in Alaska.

DATES: This rule is effective on June 24, 2008 without further notice, unless EPA receives adverse comment by May 27, 2008. If EPA receives adverse comment, we will publish a timely withdrawal in the Federal Register informing the public that the rule will not take effect.

ADDRESSES: Submit your comments, identified by Docket Id No. EPA–HQ–OAR–2007–0071, by one of the following methods:

- www.regulations.gov: Follow the on-line instructions for submitting comments.
- E-mail: a-and-r-docket@epa.gov.
- Fax: (202) 566–9744

Hand Delivery: EPA Docket Center, Room 3334, EPA West Building, 1301 Constitution Avenue, NW., Washington, DC, Attention Air Docket ID No. EPA–HQ–OAR–2007–0071. Such deliveries are only accepted during the Docket’s normal hours of operation, and special arrangements should be made for deliveries of boxed information.

Instructions: Direct your comments to Docket ID No. EPA–HQ–OAR–2007–0071. EPA’s policy is that all comments received will be included in the public docket without change and may be made available online at www.regulations.gov, including any personal information provided, unless the comment includes information claimed to be Confidential Business Information (CBI) or other information whose disclosure is restricted by statute. Do not submit information that you consider to be CBI or otherwise protected through www.regulations.gov or e-mail. The www.regulations.gov Web site is an “anonymous access” system, which means EPA will not know your identity or contact information unless you provide it in the body of your comment. If you send an e-mail comment directly to EPA without going through www.regulations.gov your e-mail address will be automatically captured and included as part of the comment that is placed in the public docket and made available on the Internet. If you submit an electronic comment, EPA recommends that you include your name and other contact information in the body of your comment and with any disk or CD–ROM you submit. If EPA cannot read your comment due to technical difficulties and cannot contact you for clarification, EPA may not be able to consider your comment. Electronic comments should avoid the use of special characters, any form of encryption, and be free of any defects.