Air Act (CAA) for the Crittenden County ozone nonattainment area. EPA is proposing to approve the SIP revision because it satisfies the Emissions Inventory and Emissions Statements requirements for 8-hour ozone nonattainment areas. EPA is proposing to approve the revision pursuant to section 110 of the CAA.

DATES: Written comments should be received on or before February 17, 2009.

ADDRESSES: Comments may be mailed to Mr. Guy Donaldson, Chief, Air Planning Section (6PD–L), Environmental Protection Agency, Region 6, 1445 Ross Avenue, Suite 1200, Dallas, Texas 75202–2733. Comments may also be submitted electronically or through hand deliver/courier by following the detailed instructions in the ADDRESSES section of the direct final rule located in the rules section of this Federal Register.

FOR FURTHER INFORMATION CONTACT:
Dylan Van Dyne, Air Planning Section (6PD–L), Environmental Protection Agency, Region 6, 1445 Ross Avenue, Suite 700, Dallas, Texas 75202–2733, telephone 214–665–7113; fax number 214–665–7263; e-mail address vandyne.dylan@epa.gov.

SUPPLEMENTARY INFORMATION: In the final section of this Federal Register, EPA is approving the State’s SIP submittal as a direct rule without prior proposal because the Agency views this as non-controversial submittal and anticipates no adverse comments. A detailed rationale for the approval is set forth in the direct final rule. If no adverse comments are received in response to this action no further activity is contemplated. If EPA receives adverse comments, the direct final rule will be withdrawn and all public comments received will be addressed in a subsequent final rule based on this proposed rule. EPA will not institute a second comment period. Any parties interested in commenting on this action should do so at this time.

For additional information see the direct final rule, which is located in the rules section of this Federal Register.

Dated: December 24, 2008.
Richard E. Greene,
Regional Administrator, Region 6.
[FR Doc. E9–620 Filed 1–14–09; 8:45 am]
The U.S. Environmental Protection Agency (EPA or the Agency) is proposing an amendment to the Spill Prevention, Control, and Countermeasure (SPCC) rule to exempt storage containers (both bulk and processing vessels) containing milk, as well as associated piping and appurtenances from the SPCC requirements, if they are constructed according to the current applicable 3-A Sanitary Standards, and are subject to the current applicable Grade “A” Pasteurized Milk Ordinance (PMO) or a State dairy regulatory requirement equivalent to the current applicable PMO.

II. Entities Potentially Affected by This Proposed Rule

<table>
<thead>
<tr>
<th>Industry sector</th>
<th>NAICS code</th>
</tr>
</thead>
<tbody>
<tr>
<td>Farms</td>
<td>111, 112</td>
</tr>
<tr>
<td>Food Manufacturing</td>
<td>311, 312</td>
</tr>
</tbody>
</table>

The Agency’s goal is to provide a guide for readers to consider regarding entities that potentially could be affected by this action. However, this action may affect other entities not listed in this table. The list of potentially affected entities in the above table may not be exhaustive. If you have questions regarding the applicability of this action to a particular entity, consult the person listed in the preceding section entitled FOR FURTHER INFORMATION CONTACT.

III. Statutory Authority and Delegation of Authority

Section 311(j)(1)(C) of the Clean Water Act (CWA or the Act), 33 U.S.C. 1321(j)(1)(C), requires the President to issue regulations establishing procedures, methods, equipment, and other requirements to prevent discharges of oil to navigable waters or adjoining shorelines from vessels and facilities, and to contain such discharges. The President delegated the authority to regulate non-transportation-related onshore facilities to EPA in Executive Order 11548 (35 FR 11677, July 22, 1970), which was replaced by Executive Order 12777 (56 FR 54757, October 22, 1991). A Memorandum of Understanding (MOU) between the U.S. Department of Transportation (DOT) and EPA (36 FR 24080, November 24, 1971) established the definitions of transportation-related and non-transportation-related facilities. An MOU between EPA, the U.S. Department of the Interior (DOI), and DOT (59 FR 34102, July 1, 1994) re-delegated the responsibility to regulate certain offshore facilities from DOI to EPA.

Then in 1995, Congress enacted the Edible Oil Regulatory Reform Act (EORRA), 33 U.S.C. 2720, which mandates that Federal agencies in issuing or enforcing any regulation or establishing any interpretation or guideline relating to the transportation, storage, discharge, release, emission or disposal of oil differentiate between and establish separate classes for various types of oils, specifically: animal fats and oils and greases, and fish and marine mammal oils; oils of vegetable origin; petroleum oils, and other non-petroleum oils and greases. In differentiating between these classes of oils, Federal agencies are directed to consider differences in the physical, chemical, biological, and other properties, and in the environmental effects of the classes.

IV. Background

EPA has promulgated a series of amendments to the SPCC rule. Facilities handling animal fats and vegetable oils (AFVOs), including dairy farms that are subject to the SPCC rule because of their oil storage capacity, may benefit from a number of these amendments, including: streamlined requirements promulgated for qualified facilities (“Tier I”); amendments to the security, integrity testing, and facility diagram requirements; an exemption from the loading/unloading rack requirements; an exemption for pesticide application equipment and related mix containers, and for single-family residential heating oil containers; and clarification for fuel nurse tanks and for the definition of “facility.”

Additionally, the SPCC rule amendments differentiate integrity testing requirements at § 112.12(e)(6) for an owner or operator of a facility that handles certain types of AFVOs. EPA provides the Professional Engineer (PE) or an owner or operator self-certifying an SPCC Plan with an alternative option for integrity testing for containers that store AFVOs, based on compliance with certain U.S. Food and Drug Administration (FDA) regulations and other criteria.

Milk typically contains a percentage of animal fat, which is a non-petroleum oil. Thus, containers storing milk are subject to the SPCC rule when they meet the applicability criteria set forth in § 112.1. In the SPCC rule, the term “bulk storage container” is defined at § 112.2 and Cube is defined as “any container used to store oil.” Therefore, bulk storage containers storing milk are subject to the applicable provisions under § 112.12. Additionally, milk is processed in vessels during the pasteurization process. These vessels, while not bulk storage containers, are considered oil-filled manufacturing equipment and are subject to the general provisions of the SPCC rule under § 112.7.

In response to EPA’s October 2007 proposal for amendments to the SPCC rule (72 FR 58378, October 15, 2007), several commenters requested that EPA exempt containers used to store milk from the SPCC requirements. Specifically, these commenters suggested that milk storage containers be exempted from the SPCC requirements because the Grade “A” Pasteurized Milk Ordinance (PMO) addresses milk storage and tank integrity. These commenters identified the PMO, which specifically addresses milk intended for human consumption,
as a model ordinance maintained through a cooperative agreement between the States, the FDA, and the regulated community. States typically adopt it either by reference, or by directly incorporating similar requirements into their statutes or regulations.

V. This Action

EPA is proposing to exempt from SPCC requirements containers and associated piping and appurtenances that store milk provided they are constructed according to current applicable 3–A Sanitary Standards, and are subject to the current applicable PMO or a State dairy regulatory requirement equivalent to the current applicable PMO. In addition, the capacity of these milk containers would not be included in a facility’s total oil storage capacity calculation (see 112.1(d)(2)(ii)).

A. 3–A Sanitary Standards and PMO Requirements

Milk containers and their associated piping and appurtenances are generally constructed according to an industry standard established by the 3–A Sanitary Standards (McLean, VA), which satisfy the PMO construction requirements for milk containers and associated piping and appurtenances. These standards include American Iron and Steel Institute 300 Series stainless steel (i.e., austenitic stainless steel) or a metal that is at least as corrosion resistant and that meet specific design criteria, including, but not limited to, requirements for contact with milk (e.g., polished contact surfaces). Milk containers and associated piping and appurtenances must have smooth and impervious surfaces that are free of breaks and corrosion, including at joints and seams. These standards further specify the requirements for easy access to inspect the container’s internal surfaces. The U.S. Department of Agriculture (USDA) also recognizes the 3–A Sanitary Standards–compliant containers under 7 CFR part 58 for purposes of USDA milk grading and inspection programs.

All milk handling operations subject to the PMO are required to have an operating permit, and are subject to inspection by the state dairy regulatory agencies. That is, PMO establishes criteria for the permitting, inspection and enforcement of milk handling equipment and operations that govern all processes for milk intended for human consumption. These include, but are not limited to, specifications for the design and construction of milk handling equipment, equipment sanitation and maintenance procedures, temperature controls, and pasteurization standards. In addition, because many kinds of harmful bacteria can grow rapidly in milk, and thus the PMO requires that milk containers be frequently emptied, cleaned, and sanitized (for example, every 72 hours). Such frequent cleaning of the containers suggests that any leaks or deterioration of container integrity would be quickly identified. PMO also requires an inspection of the dairy farms or milk processing plants by the state-designated regulatory agency prior to issuing a permit, and routine inspections thereafter (for example, at dairy farms at least once every six months) by a state designated regulatory agency. Inspections at these facilities encompass those elements associated with the milk operation, including the milk containers, and associated piping and appurtenances. Should the inspection result in two consecutive violations of the same criterion, PMO enforcement provisions may result in the suspension or revocation of the facility’s operating permit.

As a result, EPA believes that these requirements may provide a basis for an exemption of milk containers and their associated piping and appurtenances from the SPCC rule provided they are constructed in accordance with the current applicable 3–A Sanitary Standards, and are subject to the current applicable PMO sanitation requirements or a State dairy regulatory equivalent to current applicable PMO.

EPA is requesting comment on this proposal. An owner or operator of a facility that is subject to SPCC, that has milk storage containers, and associated piping and appurtenances constructed in accordance with the current applicable 3–A Sanitary Standards, and that is effectively implementing the current applicable PMO sanitation requirements, is implementing substantial measures to prevent milk spoilage and contamination. While these measures are not specifically intended for oil spill prevention, control and countermeasure purposes, we believe they may prevent discharges of oil in quantities that are harmful and seek comment on this. We also seek comment on an exemption for milk product containers and their associated piping and appurtenances from the SPCC rule provided they are also constructed in accordance with the current applicable 3–A Sanitary Standards, and that is effectively implementing the current applicable PMO sanitation requirements, or a State dairy regulatory equivalent to current applicable PMO. EPA is also requesting comment on how to address milk storage containers (including totes) that may not be constructed to 3–A Sanitary Standards under the SPCC rule and whether they should also be exempted from the SPCC requirements, provided they are subject to the current applicable PMO or a State dairy regulatory requirement equivalent to the current applicable PMO. Those commenters who support expanding the proposal to include those containers that are not constructed to 3–A Sanitary Standards should provide supporting data and information in order for the Agency to consider such an approach.

EPA requests comment on any other alternative approaches to address milk, and milk product containers and associated piping and appurtenances under the SPCC rule. The Agency requests comments on whether any action to address milk, and milk product containers, and associated piping and appurtenances under the SPCC requirements is warranted. Any alternative approaches offered, including no action, must include an appropriate rationale and supporting data in order for the Agency to be able to consider them for final action.

VI. Statutory and Executive Order Reviews

A. Executive Order 12866: Regulatory Planning and Review

Under section 3(f)(1) of Executive Order (EO) 12866 (58 FR 51735, October 4, 1993), this action is an “economically significant regulatory action” because it is likely to have an annual effect on the economy of $100 million or more. Accordingly, EPA submitted this action to the Office of Management and Budget (OMB) for review under EO 12866, and any changes made in response to OMB recommendations have been documented in the docket for this action.

In addition, EPA prepared an analysis of the potential costs and benefits associated with this action. This analysis is contained in “Regulatory Impact Analysis” for the Proposed Amendment to the Oil Pollution Prevention Regulations to Exempt Certain Milk Containers and Associated Piping and Appurtenances (40 CFR PART 112)”. A copy of the analysis is available in the docket for this action, and the analysis is briefly summarized in section C.

B. Paperwork Reduction Act

This proposed action does not impose any new information collection burden. The proposed rule would exempt certain milk containers and associated piping and appurtenances...
from the rule. However, the Office of Management and Budget (OMB) has previously approved the information collection requirements contained in the existing regulations, 40 CFR part 112, under the provisions of the Paperwork Reduction Act, 44 U.S.C. 3501 et seq. and has assigned OMB control number 2050–0021. The OMB control numbers for EPA’s regulations in 40 CFR are listed in 40 CFR part 9.

C. Regulatory Flexibility Act

The Regulatory Flexibility Act generally requires an agency to prepare a regulatory flexibility analysis of any rule subject to notice and comment rulemaking requirements under the Administrative Procedure Act or any other statute unless the agency certifies that the rule will not have a significant economic impact on a substantial number of small entities. Small entities include small businesses, small organizations, and small governmental jurisdictions.

For purposes of assessing the impacts of this proposed rule on small entities, a small entity is defined as: (1) A small business as defined in the U.S. Small Business Administration (SBA)'s regulations at 13 CFR 121.201—SBA defines small businesses by category of business using North American Industry Classification System (NAICS) codes, and in the case of farms and oil production facilities, which constitute a large percentage of the facilities affected by this proposed rule, generally defines small businesses as having less than $0.5 million to $27.5 million per year in sales receipts, depending on the industry, or 500 or fewer employees, respectively; (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 this proposed rule on small entities, the Agency certifies that this action would 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 certify that a rule would 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.

Under this proposal, EPA would exempt milk storage containers and associated piping and appurtenances that are constructed according to 3–A Sanitary Standards and are subject to the current applicable Grade “A” Pasteurized Milk Ordinance (PMO), or an equivalent state dairy requirement to the current applicable PMO from SPCC rule requirements. Overall, EPA estimates that this proposed action would reduce annual compliance costs by approximately $155 million for owners and operators of affected facilities. Total costs were annualized over a 10-year period using a 7-percent discount rate. To derive this savings estimate, EPA first estimated the number of dairy farms and milk processing facilities that would be affected each year (2010–2019) by the proposed rule. EPA next analyzed the expected milk and fuel oil storage capacity of dairy farms with varying numbers of cattle based on daily production rate per cow, storage requirements for milk, and conversations with industry representatives. EPA also estimated the milk and fuel oil storage capacity of milk processing facilities, and estimated the cost savings associated with the exemption for storage containers at both dairy farms and milk processing facilities. These savings include secondary containment costs, cost savings from preparing and maintaining an SPCC Plan for a smaller facility, and, for Qualified Facilities, preparing only a Plan Template and saving PE certification costs. A certain number of dairy farms are expected to become exempt as a result of the amendments.

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 proposed rule does not have federalism implications. It would 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. Under the Clean Water Act (CWA) section 311(o), States may impose additional requirements, including more stringent requirements, relating to the prevention of oil discharges to navigable waters and adjoining shorelines. EPA recognizes that some States have more stringent requirements (56 FR 54612, October 22, 1991). This proposed rule would not preempt State law or regulations. Thus, Executive Order 13132 does not apply to this proposed rule.

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

This action does not have tribal implications, as specified in Executive Order 13175 (65 FR 67249, November 9, 2000). This proposed rule would not significantly or uniquely affect communities of Indian tribal governments. Thus, Executive Order 13175 does not apply to this proposed rule. EPA specifically solicits additional comment on this proposed action from tribal officials.
Standards, because an owner and proposing an exemption to the SPCC by facsimile at (703) 761–6284. EPA is 22101; by phone at (703) 790–0295; or Street, Suite 2D, McLean, Virginia www.techstreet.com/3Agate.html; Standards online store at Inc. A copy of these standards may be developed by 3–A Sanitary Standards, technical standards. EPA proposes to available and applicable voluntary practices) that are developed or adopted by voluntary consensus standards bodies. NTTAA directs EPA to provide Congress, through OMB, explanations when the Agency decides not to use available and applicable voluntary consensus standards. This proposed rulemaking involves technical standards. EPA proposes to use the 3–A Sanitary Standards. “Storage Tanks for Milk and Milk Products”, 3A 01–08, November 2001, developed by 3–A Sanitary Standards, Inc. A copy of these standards may be obtained from the 3–A Sanitary Standards online store at http://www.techstreet.com/3Agate.html; by contacting the organization at 6888 Elm Street, Suite 2D, McLean, Virginia 22101; by phone at (703) 790–0295; or by facsimile at (703) 761–6204. EPA is proposing an exemption to the SPCC rule based on the 3–A Sanitary Standards, because an owner and operator of a facility that is subject to SPCC, that has milk storage containers and associated piping and appurtenances constructed in accordance with 3–A Sanitary Standards, and that is effectively implementing PMO sanitation requirements, may already be providing measures to prevent, control and provide countermeasures for discharges of oil in quantities that are harmful. EPA welcomes comments on this aspect of the proposed rulemaking and, specifically, invites the public to identify potentially-applicable voluntary consensus standards and to explain why such standards should be used in this regulation. Executive Order 12898: Federal Actions To Address Environmental Justice in Minority Populations and Low-Income Populations Executive Order (EO) 12898 (59 FR 7629 [Feb. 16, 1994]) establishes federal executive policy on environmental justice. Its main provision directs federal agencies, to the greatest extent practicable and permitted by law, to make environmental justice part of their mission by identifying and addressing, as appropriate, disproportionately high and adverse human health or environmental effects of their programs, policies, and activities on minority populations and low-income populations in the United States. EPA has determined that this proposed rule will not have disproportionately high and adverse human health or environmental effects on minority or low-income populations because it does not affect the level of protection provided to human health or the environment. The overall effect of the action is to decrease the regulatory burden on facility owners or operators subject to its provisions. List of Subjects in 40 CFR Part 112 Environmental protection, Animal fats and vegetable oils, Farms, Milk, Oil pollution, Tanks, Water pollution control, Water resources. Dated: January 9, 2009. Stephen L. Johnson, Administrator.

For the reasons stated in the preamble, the Environmental Protection Agency proposes to amend 40 CFR part 112 as follows: PART 112—OIL POLLUTION PREVENTION 1. The authority citation for part 112 continues to read as follows: