

provisions of the Arms Export Control Act and the ITAR.

(c) The end-user or consignee may satisfy the condition in paragraph (b) of this section, prior to transferring defense articles, by requiring:

(1) A security clearance approved by the host nation government for its employees, or

(2) The end-user or consignee to have in place a process to screen its employees and to have executed a Non-Disclosure Agreement that provides assurances that the employee will not transfer any defense articles to persons or entities unless specifically authorized by the consignee or end-user. The end-user or consignee must screen its employees for substantive contacts with restricted or prohibited countries listed in § 126.1. Substantive contacts include regular travel to such countries, recent or continuing contact with agents, brokers, and nationals of such countries, continued demonstrated allegiance to such countries, maintenance of business relationships with persons from such countries, maintenance of a residence in such countries, receiving salary or other continuing monetary compensation from such countries, or acts otherwise indicating a risk of diversion. Although nationality does not, in and of itself, prohibit access to defense articles, an employee who has substantive contacts with persons from countries listed in § 126.1(a) shall be presumed to raise a risk of diversion, unless DDTC determines otherwise. End-users and consignees must maintain a technology security/clearance plan that includes procedures for screening employees for such substantive contacts and maintain records of such screening for five years. The technology security/clearance plan and screening records shall be made available to DDTC or its agents for civil and criminal law enforcement purposes upon request.

Dated: April 26, 2011.

**Ellen O. Tauscher,**

*Under Secretary, Arms Control and International Security, Department of State.*

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## DEPARTMENT OF THE INTERIOR

### Bureau of Ocean Energy Management, Regulation and Enforcement

#### 30 CFR Part 285

[Docket ID: BOEM-2010-0045]

RIN 1010-AD71

#### Renewable Energy Alternate Uses of Existing Facilities on the Outer Continental Shelf—Acquire a Lease Noncompetitively

**AGENCY:** Bureau of Ocean Energy Management, Regulation and Enforcement (BOEMRE), Interior.

**ACTION:** Final rule.

**SUMMARY:** This final rule revises BOEMRE regulations that pertain to noncompetitive acquisition of an Outer Continental Shelf (OCS) renewable energy lease. We are taking this action because under the current regulations the process for acquiring a lease noncompetitively that is initiated by an unsolicited request is inconsistent with the process for acquiring a lease noncompetitively that is initiated by BOEMRE. By revising regulations which govern the lease acquisition process starting with submission of an unsolicited request, and regulations which govern the lease acquisition process starting with BOEMRE issuance of a Request for Interest (RFI) or a Call for Information and Nomination (Call), this rulemaking will make the two processes consistent with each other.

**DATES:** *Effective Date:* This final rule is effective June 15, 2011.

**FOR FURTHER INFORMATION CONTACT:** Timothy Redding at (703) 787-1219.

#### SUPPLEMENTARY INFORMATION:

##### Background

As originally written, § 285.231 allowed the award of a noncompetitive lease after BOEMRE received an unsolicited request for a noncompetitive lease if BOEMRE determined that there was no competitive interest after publishing a single notice of a request for interest relating to the unsolicited request for a noncompetitive lease. As originally written, § 285.232 provided that if BOEMRE published an RFI or Call resulting in a single expression of interest in a discrete portion within the RFI or Call area, BOEMRE could offer a lease for that area through a noncompetitive process only if it also issued a notice of request for interest as required by § 285.231(b) and subsequently determined that there was no competitive interest based on responses to that notice.

BOEMRE believes that the requirement for another notice following an RFI or Call was redundant and was at odds with the noncompetitive process prescribed for cases in which a party submitted an unsolicited request for an OCS renewable energy lease, where BOEMRE is required to publish only a single notice. The final rule revises § 285.232(c) to refer to the process outlined in § 285.231(d) through (i) rather than § 285.231(b) through (i), thereby eliminating this discrepancy by requiring only one RFI notice for determining competitive interest in all cases. This will make BOEMRE's leasing processes more streamlined and efficient while maintaining BOEMRE's obligations to notify the public of areas that may be leased, to solicit public input regarding those areas, and to determine whether competitive interest exists in acquiring leases in those areas.

#### Comments on the Proposed Rule

BOEMRE published a proposed rule on February 16, 2011 (76 FR 8962), and received a total of 76 comments.

The Offshore Wind Development Coalition, the National Hydropower Association, Offshore MW LLC, the American Wind Energy Association, and the National Wildlife Federation expressed support for revising the rule as proposed and endorsed BOEMRE's rationale for doing so.

The Alliance to Protect Nantucket Sound (APNS) and the Oceans Public Trust Initiative (OPTI) objected to revising the rule and objected to BOEMRE's rationale. The APNS stated that the proposed rule would promote a land rush attitude, diminish competition, and marginalize public review by shortening the environmental review process for OCS wind developers. The OPTI stated that it appears that the sole purpose for revising the regulations appears to be to make leasing move more quickly, which could be at the expense of more careful and balanced review. The OPTI also stated that revising the rule as proposed promotes collusion among industry participants. Defenders of Wildlife did not explicitly offer an opinion in favor of or in opposition to the proposed rule revision. However, it stated that, "In proposing to arbitrarily set a new criteria for an expedited accelerated permitting process solely on the basis of the number of applicants for a lease at a particular location, BOEMRE appears to ignore in this rulemaking any and all parameters that make a particular location unique \* \* \*."

BOEMRE received 68 comments from private citizens, 3 that expressed

support for revising the rule, 55 that expressed opposition (including 50 form letters), and 10 that were not germane to the rulemaking. The comments supporting the rule revision stated that it will promote more efficient noncompetitive leasing processes without curtailing public input and environmental review procedures. The comments opposing the rule revision asserted that it will reduce or eliminate competition, thereby promoting an offshore land rush for renewable energy leases, and will marginalize the public review process.

After reviewing the comments on the proposed rule, BOEMRE has concluded that there is no compelling reason not to promulgate the final rule. As we have maintained throughout this rulemaking, the revision of the regulations will eliminate inefficiency and provide consistency while preserving adequate opportunity for public notice and review in BOEMRE noncompetitive leasing processes. The final rule will have no effect on the environmental review process carried out pursuant to the requirements in the National Environmental Policy Act. In response to concerns that the proposed rule will diminish competition, the final rule will have no effect on competition and is fully consistent with BOEMRE's obligations under subsection 8(p) of the OCS Lands Act, as amended, to offer OCS renewable energy leases on a competitive basis unless we determine, after public notice of a proposed lease, that there is no competitive interest. BOEMRE leasing processes under the renewable energy regulatory framework, as revised by this final rule, will continue to provide for thorough BOEMRE review of all relevant environmental and cultural criteria, as well as public participation. Consequently, we believe the final rule will have no effect whatsoever on potential collusion among offshore renewable energy developers.

## Regulatory Requirements

### *Regulatory Planning and Review (Executive Order (E.O.) 12866)*

This final rule is not a significant rule as defined by the Office of Management and Budget (OMB) and is not subject to review under E.O. 12866.

(1) This final rule will not have an annual effect of \$100 million or more on the economy. It will not adversely affect in a material way the economy, productivity, competition, jobs, the environment, public health or safety, or State, local, or Tribal governments or communities.

(2) This final rule will not create a serious inconsistency or otherwise interfere with an action taken or planned by another agency. The final rule will eliminate unnecessary redundancy and inefficiency.

(3) This final rule will not alter the budgetary effects of entitlements, grants, user fees, or loan programs or the rights or obligations of their recipients.

(4) This final rule will not raise novel legal or policy issues arising out of legal mandates, the President's priorities, or the principles set forth in E.O. 12866.

### *Regulatory Flexibility Act*

The Department of the Interior certifies that this final rule will not have a significant economic effect on a substantial number of small entities under the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*). The Department prepared a regulatory flexibility analysis for 30 CFR part 285 and concluded that the regulations will impact a substantial number of small entities, but will not have a significant economic impact on the small entities in comparison to the impacts on large entities. That analysis was discussed in detail in the Notice of Proposed Rulemaking for 30 CFR part 285 published in the **Federal Register** on July 9, 2008 (73 FR 39376).

The North American Industry Classification System (NAICS) code for the industries affected by this rule is 221119 (Other Electric Power Generation). The definition for this code is:

"This U.S. industry comprises establishments primarily engaged in operating electric power generation facilities (except hydroelectric, fossil fuel, nuclear). These facilities convert other forms of energy, such as solar, wind, or tidal power, into electrical energy. The electric energy produced in these establishments is provided to electric power transmission systems or to electric power distribution systems."

It is possible that this final rule could eventually affect entities that produce hydrogen and fall under NAICS Code 325120 (Industrial Gas Manufacturing). The definition for this code is:

"This industry comprises establishments primarily engaged in manufacturing industrial organic and inorganic gases in compressed, liquid, or solid forms."

Given the original findings of the regulatory flexibility analysis done for 30 CFR part 285, as well as the minor adjustment to the renewable energy leasing process that is accomplished, this final rule will not have a significant effect on a substantial number of small entities.

### *Small Business Regulatory Enforcement Fairness Act*

This final rule is not a major rule under the Small Business Regulatory Enforcement Fairness Act (5 U.S.C. 801 *et seq.*). This final rule:

a. Will not have an annual effect on the economy of \$100 million or more.

b. Will not cause a major increase in costs or prices for consumers, individual industries, Federal, State, or local government agencies, or geographic regions.

c. Will not have significant adverse effects on competition, employment, investment, productivity, innovation, or the ability of U.S.-based enterprises to compete with foreign-based enterprises. The requirements will apply indiscriminately to entities intending to acquire a renewable energy lease on the OCS pursuant to 30 CFR part 285.

### *Unfunded Mandate Reform Act of 1995*

This final rule will not impose an unfunded mandate on State, local, or Tribal governments or the private sector of more than \$100 million per year. The final rule will not have a significant or unique effect on State, local, or Tribal governments or the private sector. A statement containing the information required by the Unfunded Mandates Reform Act (2 U.S.C. 1501 *et seq.*) is not required.

### *Takings Implication Assessment (E.O. 12630)*

Under the criteria in E.O. 12630, this final rule does not have significant takings implications. The final rule is not a governmental action capable of interference with constitutionally protected property rights. A Takings Implication Assessment is not required.

### *Federalism (E.O. 13132)*

Under the criteria in E.O. 13132, this final rule does not have federalism implications. This final rule will not substantially and directly affect the relationship between the Federal and State Governments. To the extent that State and local governments have a role in OCS activities, this final rule will not affect that role. A Federalism Assessment is not required.

### *Civil Justice Reform (E.O. 12988)*

This final rule complies with the requirements of E.O. 12988. Specifically, this final rule:

(a) Meets the criteria of section 3(a) requiring that all regulations be reviewed to eliminate errors and ambiguity and be written to minimize litigation; and

(b) Meets the criteria of section 3(b)(2) requiring that all regulations be written

in clear language and contain clear legal standards.

*Consultation With Indian Tribes (E.O. 13175)*

Under the criteria in E.O. 13175, we have evaluated this final rule and determined that it has no substantial effects on Federally recognized Indian Tribes.

*Paperwork Reduction Act (PRA)*

This final rulemaking does not contain new information collection requirements; therefore, an OMB submission under the PRA (44 U.S.C. 3501 *et seq.*) is not required. The PRA provides that an agency may not conduct or sponsor a collection of information unless it displays a currently valid OMB control number. Until OMB approves a collection of information and assigns a control number, you are not required to respond. The revisions in this final rulemaking refer to, but will not change, information collection requirements in 30 CFR part 285. The OMB approved the information collection requirements contained in 30 CFR part 285 under OMB Control Number 1010-0176 (expiration 3/31/2013).

*National Environmental Policy Act of 1969*

This final rule does not constitute a major Federal action significantly affecting the quality of the human environment. BOEMRE has analyzed this final rule under the criteria of the National Environmental Policy Act (NEPA) and the Department's regulations implementing NEPA. This final rule meets the criteria set forth at 43 CFR 46.210(i) for a Departmental Categorical Exclusion in that this final rule is " \* \* of an administrative, financial, legal, technical, or procedural nature; or whose environmental effects are too broad, speculative, or conjectural to lend themselves to meaningful analysis \* \* \*." Further, BOEMRE has analyzed this final rule to determine if it meets any of the extraordinary circumstances that will require an environmental assessment or an environmental impact statement as set forth in 43 CFR 46.215 and concluded that this final rule, being purely procedural, does not meet any of the criteria for extraordinary circumstances.

*Data Quality Act*

In developing this final rule, BOEMRE did not conduct or use a study, experiment, or survey requiring peer review under the Data Quality Act (Pub. L. 106-554, app. C § 515, 114 Stat. 2763, 2763A-153-154).

*Effects on the Energy Supply (E.O. 13211)*

This final rule is not a significant energy action under the definition in E.O. 13211. A Statement of Energy Effects is not required.

**List of Subjects in 30 CFR Part 285**

Continental shelf, Environmental protection, Public lands.

Dated: April 28, 2011.

**Ned Farquhar,**

*Acting Assistant Secretary for Land and Minerals Management.*

For the reasons stated in the preamble, the Bureau of Ocean Energy Management, Regulation and Enforcement (BOEMRE) amends 30 CFR part 285 as follows:

**PART 285—RENEWABLE ENERGY  
ALTERNATE USES OF EXISTING  
FACILITIES ON THE OUTER  
CONTINENTAL SHELF**

■ 1. The authority citation for part 285 continues to read as follows:

**Authority:** 43 U.S.C. 1331 *et seq.*, 43 U.S.C. 1337.

■ 2. Amend § 285.231 by revising the section heading and paragraph (d)(1) to read as follows:

**§ 285.231 How will BOEMRE process my unsolicited request for a noncompetitive lease?**

\* \* \* \* \*

(d) \* \* \*

(1) We will publish in the **Federal Register** a notice that there is no competitive interest; and

\* \* \* \* \*

■ 3. Amend § 285.232 by revising paragraph (c) to read as follows:

**§ 285.232 May I acquire a lease noncompetitively after responding to a Request for Interest or Call for Information and Nominations under § 285.213?**

\* \* \* \* \*

(c) After receiving the acquisition fee, BOEMRE will follow the process outlined in § 285.231(d) through (i).

[FR Doc. 2011-11908 Filed 5-13-11; 8:45 am]

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**DEPARTMENT OF DEFENSE**

**Department of the Navy**

**32 CFR Part 706**

**Certifications and Exemptions Under the International Regulations for Preventing Collisions at Sea, 1972**

**AGENCY:** Department of the Navy, DoD.

**ACTION:** Final rule; correcting amendment.

**SUMMARY:** In the **Federal Register** of April 21, 2011, the Department of the Navy (DoN) published a final rule concerning certifications and exemptions under the International Regulations for Preventing Collisions at Sea, 1972 (72 COLREGS). That document contained incorrect information concerning side lights arc of visibility; rule 21(b). This correcting amendment corrects that information.

**DATES:** *Effective Date:* May 16, 2011.

**FOR FURTHER INFORMATION CONTACT:** Lieutenant Jaewon Choi, JAGC, U.S. Navy, Admiralty Attorney, (Admiralty and Maritime Law), Office of the Judge Advocate General, Department of the Navy, 1322 Patterson Ave., SE, Suite 3000, Washington Navy Yard, DC 20374-5066, telephone number: 202-685-5040.

**SUPPLEMENTARY INFORMATION:** Pursuant to the authority granted in 33 U.S.C. 1605, the DoN amends 32 CFR Part 706.

This amendment provides notice that the DAJAG (Admiralty and Maritime Law), under authority delegated by the Secretary of the Navy, has certified that USS MICHIGAN (SSBN 727) and USS Georgia (SSBN 729) are vessels of the Navy which, due to their special construction and purpose, cannot fully comply with specific provisions of 72 COLREGS without interfering with their special function as naval ships. The vessels have been converted from SSBN's to SSGN's and this amendment will edit the classification of the vessels to accurately reflect their new designation as SSGN's. This amendment does not change the vessels' previously noted deviations from 72 COLREGS. The DAJAG (Admiralty and Maritime Law) has also certified that the lights involved are located in closest possible compliance with the applicable 72 COLREGS requirements.

Moreover, it has been determined, in accordance with 32 CFR parts 296 and 701, that publication of this amendment for public comment prior to adoption is impracticable, unnecessary, and contrary to public interest since it is based on previous and unchanged technical findings that the placement of lights on these vessels in a manner differently from that prescribed herein will adversely affect the vessel's ability to perform its military functions. Furthermore, this amendment merely changes the classification of these vessels and does not reflect any changes to the placement of lights on any of these vessels.