

The other respondent recommended that the CAS Board take no further action and close this case. This respondent referred to the observation in the SDP that FAR 31.205-19 and CAS 416 both use the word “catastrophic” to refer to infrequent and unpredictable events involving major losses. The respondent believed there is no conflict between allocability under CAS 416 and allowability under FAR 31.205-19(e), explaining his belief as follows:

CAS 416 controls the measurement and allocation of the cost of infrequent and difficult to predict events. The FAR at 31.205-19(e) and 28.308 disallow the cost unless the Government accepts the risk and associated cost of such infrequent and difficult to predict events.

Neither respondent provided any data or other information describing disputes or other problems arising from the use of the term “catastrophic losses” in 9904.416-50(b)(1).

#### Response

In deciding to discontinue rulemaking on this case, the Board reviewed the history of the development of the CAS and the FAR provisions on the term “catastrophic losses.” The CAS Board was clearly addressing the allocation of large losses from infrequent and unpredictable events in paragraph (6) of the preamble to CAS 416 (43 FR 42239, September 20, 1978), which stated:

Obviously, a catastrophic loss would be one which would be very large in relation to the average loss per occurrence for that exposure, and losses of that magnitude would be expected to occur infrequently.

9904.416-50(b)(1) treats “catastrophic losses” as a contingency and recognizes the cost of “catastrophic losses” separately from the projected average loss, or actual loss experience if used. This treatment is consistent with general insurance practices that exclude catastrophic losses from the insurable risk covered by an insurance policy. As part of its cost accounting practices the contractor establishes the threshold for reinsuring a portion of the catastrophic loss which might occur at a segment. The Board explained in the preamble that the reinsurance arrangement can reflect the relative size and activities of the segment:

The Board believes that what constitutes “catastrophic loss” depends on the individual circumstances of each contractor. The determination should be made at the time the internal loss-sharing policy is established and should be revised, as necessary, for changes in future circumstances.

Notwithstanding the description of the issue in the SDP, there does not appear

to be a substantive difference between the implied definition of the term “catastrophic losses” in 9904.416-50(b)(1) and FAR 31.205-19. The Board believes that the deliberations and actions of the original Board adequately address the narrow question of how the term “catastrophic losses” is used in 9904.416-50(b)(1). Questions of allowability under FAR 31.205-19 are beyond the purview of the Board.

#### Conclusions

After reviewing the comments and the history of the CAS rules, the Board believes use of the term “catastrophic losses” in CAS 416 is consistent with the intent of its original promulgators that a “catastrophic loss” is “very large in relation to the average loss per occurrence for that exposure,” is “expected to occur infrequently,” and is dependent “on the individual circumstances of each contractor.” The original promulgators intended the definition of what constitutes a “catastrophic loss” be part of the contractor’s cost accounting practice where the determination of what constitutes a catastrophic loss “should be made at the time the internal loss-sharing policy is established and should be revised, as necessary, for changes in future circumstances.” (See Preamble to CAS 416 (43 FR 42239, Sept. 20, 1978).)

Although CAS 416 has been in effect for over 30 years, the respondents provided no data on problems or disputes related to the meaning of the term “catastrophic losses.” At this time, the Board believes that no amendments to CAS 416 regarding the use of the term “catastrophic losses” are necessary and is hereby discontinuing further rulemaking in this case.

**Daniel I. Gordon,**

*Chair, Cost Accounting Standards Board.*

[FR Doc. 2011-21898 Filed 8-25-11; 8:45 am]

**BILLING CODE P**

## DEPARTMENT OF THE INTERIOR

### Fish and Wildlife Service

#### 50 CFR Part 17

[Docket No. FWS-R3-ES-2011-0029 ; 92220-1113-000; ABC Code: C6]

RIN 1018-AX57

#### Endangered and Threatened Wildlife and Plants; Revising the List of Endangered and Threatened Wildlife for the Gray Wolf (*Canis lupus*) in the Eastern United States

**AGENCY:** Fish and Wildlife Service, Interior.

**ACTION:** Proposed rule; correction and reopening of comment period.

**SUMMARY:** On May 5, 2011, we, the U.S. Fish and Wildlife Service (Service), published a proposed rule to reevaluate the listing of the Minnesota population of gray wolves (*Canis lupus*) and revise the listing to conform to current statutory and policy requirements (76 FR 26086). In that proposed rule, we recognized recent taxonomic information indicating that the gray wolf subspecies *Canis lupus lycaon* should be elevated to the full species *C. lycaon*. We proposed to identify the Minnesota population as a Western Great Lakes (WGL) Distinct Population Segment (DPS) of the gray wolf and to remove this DPS from the List of Endangered and Threatened Wildlife. We also proposed to revise the range of the gray wolf (the species *C. lupus*) by removing all or parts of 29 eastern States, which, based in part on recognition of *C. lycaon*, were not part of the historical range of the gray wolf.

We announce the reopening of the comment period for our May 5, 2011, proposed rule to provide for public review and comment of additional information regarding our recognition of *C. lycaon* as a separate species. We seek information, data, and comments from the public with respect to new information relevant to the taxonomy of wolves in North America. In addition we are making a correction to our May 5, 2011, proposed rule and notifying the public that we are considering concluding that proposed rule with two or more final rules.

**DATES:** We request that comments on this proposal be submitted by the close of business on September 26, 2011. Any comments that we receive after the closing date may not be considered in the final decision on this action.

**ADDRESSES:** *Document availability:* See **SUPPLEMENTARY INFORMATION** for information on how to access the new report described in this revised proposed rule.

*Comment submission:* You may submit comments by one of the following methods:

*Electronically:* Go to the Federal eRulemaking Portal: <http://www.regulations.gov>. In the Enter Keyword or ID box, enter FWS-R3-ES-2011-0029, which is the docket number for this rulemaking. Then, in the Search panel at the top of the screen, under the Document Type heading, click on the Proposed Rules link to locate this document. You may submit a comment by clicking on “Submit a Comment.”

*By hard copy:* Submit by U.S. mail or hand-delivery to: Public Comments

Processing, Attn: FWS-R3-ES-2011-0029; Division of Policy and Directives Management; U.S. Fish and Wildlife Service; 4401 N. Fairfax Drive, MS 2042-PDM; Arlington, VA 22203.

We will post all comments on <http://www.regulations.gov>. This generally means that we will post any personal information you provide us (see the Public Comments section below for more information).

**FOR FURTHER INFORMATION CONTACT:**

Laura Ragan, 612-713-5350. Direct all questions or requests for additional information to: GRAY WOLF QUESTIONS, U.S. Fish and Wildlife Service, Ecological Services, 5600 American Blvd. West, Suite 990, Bloomington, MN 55437-1458. Additional information is also available on our Web site at <http://www.fws.gov/midwest/wolf>. Individuals who are hearing-impaired or speech-impaired may call the Federal Relay Service at 1-800-877-8337 for TTY assistance.

**SUPPLEMENTARY INFORMATION:**

**Background**

In our May 5, 2011, proposed rule (76 FR 26086), we specifically recognized the eastern wolf (*Canis lycaon*) as a full species. Within the proposed rule, we recognized three wolf species with ranges in the conterminous United States: *Canis lupus* (gray wolf), *Canis lycaon* (eastern wolf), and *Canis rufus* (red wolf). We also recognized that the ranges of *C. lupus* and *C. lycaon* overlap in the Western Great Lakes region, and the population of wolves in the Western Great Lakes region includes both gray wolf and eastern wolf. However, the available evidence suggested the range of *C. lupus* did not otherwise historically overlap with the ranges of *C. lycaon* or *C. rufus* in the eastern United States. Thus, the May 5, 2011, proposed rule reflected our understanding that the wolf species that historically occupied the northeastern United States was the eastern wolf and the wolf species that historically occupied the southeastern United States was the red wolf. Accordingly, we proposed to revise the gray wolf listing to remove those States.

The comment period for that proposed rule closed on July 5, 2011. We received significant comments from States and other stakeholders highlighting the controversy in North American wolf taxonomy. As such, we are reopening the comment period to provide further information regarding the taxonomic interpretation recognized in the May 5, 2011, proposed rule and seek comment as to the best scientific and commercial data available regarding the recognition of *Canis lycaon* as a full

species. In part, this conclusion was based on information summarized in a manuscript prepared by Service employees that is currently undergoing review for publication (Chambers *et al.*, in prep.).

On May 5, 2011, we simultaneously reissued our April 2, 2009, final rule that identified the Northern Rocky Mountain (NRM) population of gray wolf as a distinct population segment (DPS) and revised the List of Endangered and Threatened Wildlife by removing most of the gray wolves in the DPS (76 FR 25590). This action became effective upon publication in the **Federal Register**. The May 5, 2011, proposed rule did not reflect language from our separate May 5, 2011, final rule delisting most of the NRM DPS. The proposed rule language below corrects this to reflect the current status of those wolves. Finally, it is also worth noting that we received several comments on our May 5, 2011, proposal requesting that we further subdivide the proposal into regional pieces. Thus, we are hereby providing notice that we are considering issuing separate final rules for our final determinations on the delisting of the Western Great Lakes DPS and the delisting of all or portions of the 29 States outside the historical range of the gray wolf, which may itself be split into separate rules for the Northeast and the Southeast.

**Public Comments Solicited**

We intend that any final action resulting from this proposal will be as accurate and as effective as possible. Therefore, we hereby request data, comments, new information, or suggestions from the public, other concerned governmental agencies, the scientific community, Tribes, industry, or any other interested party concerning this proposed rule. We particularly seek comments concerning:

(1) The taxonomic classification of wolves in the midwestern and northeastern United States as described in a Service manuscript prepared by Chambers *et al.*, in particular the recognition of the eastern wolf (*Canis lycaon*) as a full species.

(2) Any other relevant information regarding wolves in eastern North America.

You may submit your comments and materials concerning this proposed rule by one of the methods listed in **ADDRESSES**. We request that you send comments only by the methods described in **ADDRESSES**. Comments must be submitted to <http://www.regulations.gov> before midnight (Eastern Daylight Time) on the date specified in **DATES**. All comments that

were submitted during the earlier public comment period will be included as part of the administrative record for this action and need not be resubmitted.

We will post your entire comment—including your personal identifying information—on <http://www.regulations.gov>. If you provide personal identifying information, such as your street address, phone number, or e-mail address, you may request at the top of your document that we withhold this information from public review. However, we cannot guarantee that we will be able to do so.

Comments and materials we receive, as well as supporting documentation we used in preparing this proposed rule including the Chambers *et al.* manuscript (in prep), will be available for public inspection on <http://www.regulations.gov> at Docket No. FWS-R3-ES-2011-0029; on the Service's Internet site at <http://www.fws.gov/midwest/wolf/>; or by appointment, during normal business hours at the following Ecological Services offices:

- Twin Cities, Minnesota Ecological Services Field Office, 4101 American Blvd. E., Bloomington, MN; 612-725-3548.
- Green Bay, Wisconsin Ecological Services Field Office, 2661 Scott Tower Dr., New Franken, WI; 920-866-1717.
- East Lansing, Michigan Ecological Services Field Office, 2651 Coolidge Road, Suite 101, East Lansing, MI; 517-351-2555.
- New England Ecological Services Field Office, U.S. Fish and Wildlife Service, 70 Commercial St., Suite 300, Concord, NH; 603-223-2541.

**Authority:** The authority for this action is the Endangered Species Act of 1973, as amended (16 U.S.C. 1531 *et seq.*).

**List of Subjects in 50 CFR Part 17**

Endangered and threatened species, Exports, Imports, Reporting and recordkeeping requirements, Transportation.

**Proposed Regulation Promulgation**

Accordingly, we propose to further amend part 17, subchapter B of chapter I, title 50 of the Code of Federal Regulations, as proposed to be amended at 76 FR 26086, May 5, 2011, as follows:

**PART 17—ENDANGERED AND THREATENED WILDLIFE AND PLANTS**

1. The authority citation for part 17 continues to read as follows:

**Authority:** 16 U.S.C. 1361–1407; 16 U.S.C. 1531–1544; 16 U.S.C. 4201–4245; Pub. L. 99–625, 100 Stat. 3500; unless otherwise noted.

2. Amend § 17.11(h) by revising the entry for “Wolf, gray” under MAMMALS in the List of Endangered

and Threatened Wildlife to read as follows:

**§ 17.11 [Amended]**

\* \* \* \* \*  
(h) \* \* \*

| Species                                   |                          | Historic range   | Vertebrate population where endangered or threatened  | Status | When listed      | Critical habitat | Special rules        |
|---|--------------------------|--|---|--------|------------------|------------------|----------------------|
| Common name                               | Scientific name          |  |   |        |                  |                  |                      |
| MAMMALS                                   |                          |  |   |        |                  |                  |                      |
| Wolf, gray .....                          | <i>Canis lupus</i> ..... | Holarctic .....  | U.S.A.: All of CA, CO, KS, NE, and NV; those portions of AZ, NM, TX, and WY not included in an experimental population as set forth below; and portions of IA, MO, ND, OK, OR, SD, TX, UT, and WA as follows:<br>(1) Southern IA, (that portion south of the centerline of Highway 80);<br>(2) Northwestern MO (that portion northwest of the centerline of Interstate Highway 44 and northwest of the centerline of Interstate Highway 70 east of St. Louis);<br>(3) Western ND (that portion south and west of the Missouri River upstream to Lake Sakakawea and west of the centerline of Highway 83 from Lake Sakakawea to the Canadian border);<br>(4) Western OK (that portion west of the centerline of Interstate Highway 35 and northwest of the centerline of Interstate Highway 44 north of Oklahoma City);<br>(5) Western OR (that portion west of the centerline of Highway 395 and Highway 78 north of Burns Junction and that portion of OR west of the centerline of Highway 95 south of Burns Junction);<br>(6) Western SD (that portion south and west of the Missouri River);<br>(7) Western TX (that portion west of the centerline of Interstate Highway 35);<br>(8) Most of Utah (that portion south and west of the centerline of Highway 84 and that portion south of Highway 80 from Echo to the UT/WY Stateline); and<br>(9) Western WA (that portion west of the centerline of Highway 97 and Highway 17 north of Mesa and that portion west of the centerline of Highway 395 south of Mesa).<br>Mexico.<br>U.S.A. (portions of AZ, NM, and TX—see § 17.84(k)) .....<br>U.S.A. (WY—see § 17.84(i) and (n)) ..... | E      | 1, 6, 13, 15, 35 | N/A              | N/A                  |
| Do .....                                  | ..... do .....           | ..... do .....   | U.S.A. (portions of AZ, NM, and TX—see § 17.84(k)) .....  | XN     | 631              | NA               | 17.84(k)             |
| Wolf, gray [Northern Rocky Mountain DPS]. | <i>Canis lupus</i> ..... | U.S.A. (MT, ID, WY, eastern WA, eastern OR, and north central UT). | U.S.A. (WY—see § 17.84(i) and (n)) .....  | XN     | 561, 562         | NA               | 17.84(i)<br>17.84(n) |

Dated: August 16, 2011.  
**Gregory E. Siekanic,**  
*Acting Director, U.S. Fish and Wildlife Service.*  
 [FR Doc. 2011-21839 Filed 8-25-11; 8:45 am]  
**BILLING CODE 4310-55-P**

**DEPARTMENT OF THE INTERIOR**  
**Fish and Wildlife Service**  
**50 CFR Part 17**

[Docket No. FWS-R8-FHC-2011-0046;  
 94310-1337-0000-D2]  
**RIN 1018-AX51**

**Endangered and Threatened Wildlife and Plants; Termination of the Southern Sea Otter Translocation Program**

**AGENCY:** Fish and Wildlife Service, Interior.

**ACTION:** Proposed rule; notice of availability.

**SUMMARY:** We, the U.S. Fish and Wildlife Service (Service), propose to remove the regulations that govern the southern sea otter (*Enhydra lutris nereis*) translocation program, including the establishment of an experimental population of southern sea otters, and all associated management actions. We are also proposing to amend the Authority citation for 50 CFR part 17 by removing the reference to Public Law 99-625, the statute that authorized the Secretary to promulgate regulations establishing the southern sea otter translocation program. Removal of the regulations will terminate the program. We are proposing this action because we believe that the southern sea otter translocation program has failed to fulfill its purpose, as outlined in the southern sea otter translocation plan, and that our recovery and management

goals for the species cannot be met by continuing the program. Our conclusion is based, in part, on an evaluation of the program against specific failure criteria established at the program’s inception. This proposed action would terminate the designation of the experimental population of southern sea otters, abolish the southern sea otter translocation and management zones, and eliminate the current requirement to remove southern sea otters from San Nicolas Island and the management zone. This proposed rule would also eliminate future actions, required under the current regulations, to capture and relocate southern sea otters for the purpose of establishing an experimental population, and to remove southern sea otters in perpetuity from an “otter-free” management zone. As a result, it would allow southern sea otters to expand their range naturally into southern California waters. We have prepared a