

§ 57.6 Error correction process.

(a) *In general.* Upon receipt of its preliminary fee calculation, each covered entity will have an opportunity to review this calculation, identify any errors, and submit to the IRS an error correction report.

(b) *Time and manner.* The IRS will specify in other guidance published in the Internal Revenue Bulletin the format for error correction report submissions and the date by which a covered entity must submit an error correction report. The IRS will provide its final determination regarding the covered entity's error correction report no later than the time the IRS provides a covered entity with a final fee calculation.

§ 57.7 Notification and fee payment.

(a) *Content of notice.* Each fee year, the IRS will make a final calculation of the fee for each covered entity as described in § 57.4. The IRS will base its final fee calculation on the reports the covered entity provides as adjusted by the error correction process and other sources described in § 57.4(b)(1). The notification to a covered entity of its final fee calculation will include—

- (1) The covered entity's allocated fee;
- (2) The covered entity's net premiums written for health insurance of United States health risks;
- (3) The covered entity's net premiums written for health insurance of United States health risks taken into account after the application of § 57.4(a)(4);
- (4) The aggregate net premiums written for health insurance of United States health risks taken into account for all covered entities; and
- (5) The final determination on the covered entity's error correction report, if any.

(b) *Timing of notice.* The IRS will send each covered entity a notice of its final fee calculation by August 31st of the fee year.

(c) *Differences in preliminary fee calculation and final calculation.* A covered entity's final fee calculation may differ from the covered entity's preliminary fee calculation because of changes made pursuant to the error correction process described in § 57.6 or because the IRS discovered additional information relevant to the fee calculation through other information sources as described in § 57.4(b)(1). Even if a covered entity did not file an error correction report described in § 57.6, a covered entity's final fee may differ from a covered entity's preliminary fee because of information discovered about that covered entity through other information sources. In addition, a change in aggregate net premiums written for health insurance

of United States health risks can affect each covered entity's fee because each covered entity's fee is a fraction of the aggregate fee collected from all covered entities.

(d) *Payment of final fee.* Each covered entity must pay its final fee by September 30th of the fee year. For a controlled group, the payment must be made using the designated entity's EIN as reported on Form 8963, "Report of Health Insurance Provider Information." The fee must be paid by electronic funds transfer as required by § 57.6302-1. There is no tax return to be filed with the payment of the fee.

(e) *Controlled groups.* In the case of a controlled group that is liable for the fee, all members of the controlled group are jointly and severally liable for the fee. Accordingly, if a controlled group's fee is not paid, the IRS may separately assess each member of the controlled group for the full amount of the controlled group's fee.

§ 57.8 Tax treatment of fee.

(a) *Treatment as an excise tax.* The fee is treated as an excise tax for purposes of subtitle F (sections 6001-7874). Thus, references in subtitle F to "taxes imposed by this title," "internal revenue tax," and similar references, are also references to the fee. For example, the fee is assessed (section 6201), collected (sections 6301, 6321, and 6331), enforced (section 7602), subject to examination and summons (section 7602), and subject to confidentiality rules (section 6103), in the same manner as taxes imposed by the Code.

(b) *Deficiency procedures.* The deficiency procedures of sections 6211-6216 do not apply to the fee.

(c) *Limitation on assessment.* The IRS must assess the amount of the fee for any fee year within three years of September 30th of that fee year.

(d) *Application of section 275.* The fee is treated as a tax described in section 275(a)(6) (relating to taxes for which no deduction is allowed).

§ 57.9 Refund claims.

Any claim for a refund of the fee must be made by the entity that paid the fee to the government and must be made on Form 843, "Claim for Refund and Request for Abatement," in accordance with the instructions for that form.

§ 57.10 Effective/applicability date.

Sections 57.1 through 57.9 apply to any fee that is due on or after September 30, 2014.

§ 57.6302-1 Method of paying the health insurance providers fee.

(a) *Fee to be paid by electronic funds transfer.* Under the authority of section

6302(a), the fee imposed on covered entities engaged in the business of providing health insurance for United States health risks under section 9010 and § 57.4 must be paid by electronic funds transfer as defined in § 31.6302-1(h)(4)(i) of this chapter, as if the fee were a depository tax. For the time for paying the fee, see § 57.7.

(b) *Effective/Applicability date.* This section applies with respect to any fee that is due on or after September 30, 2014.

Steven T. Miller,

Deputy Commissioner for Services and Enforcement.

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DEPARTMENT OF THE TREASURY**Alcohol and Tobacco Tax and Trade Bureau****27 CFR Part 9**

[Docket No. TTB-2013-0002; Notice No. 133]

RIN 1513-AC00

Proposed Establishment of the Moon Mountain District Sonoma County Viticultural Area

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

ACTION: Notice of proposed rulemaking.

SUMMARY: The Alcohol and Tobacco Tax and Trade Bureau (TTB) proposes to establish the approximately 17,663-acre "Moon Mountain District Sonoma County" viticultural area in Sonoma County, California. The proposed viticultural area lies completely within the established Sonoma Valley viticultural area which, in turn, is within the multi-county North Coast viticultural area. TTB designates viticultural areas to allow vintners to better describe the origin of their wines and to allow consumers to better identify wines they may purchase. TTB invites comments on this proposed addition to its regulations.

DATES: We must receive your comments on or before May 3, 2013.

ADDRESSES: Please send your comments on this notice to one of the following addresses (please note that TTB has a new address for comments submitted by U.S. mail):

- *Internet:* <http://www.regulations.gov> (via the online comment form for this notice as posted within Docket No. TTB-2013-0002 at "Regulations.gov," the Federal e-rulemaking portal);

• *U.S. Mail*: Director, Regulations and Rulings Division, Alcohol and Tobacco Tax and Trade Bureau, 1310 G Street, NW., Box 12, Washington, DC 20005; or

• *Hand delivery/courier in lieu of mail*: Alcohol and Tobacco Tax and Trade Bureau, 1310 G Street, NW., Suite 200E, Washington, DC 20005.

See the Public Participation section of this notice for specific instructions and requirements for submitting comments, and for information on how to request a public hearing.

You may view copies of this notice, selected supporting materials, and any comments that TTB receives about this proposal at <http://www.regulations.gov> within Docket No. TTB–2013–0002. A link to that docket is posted on the TTB Web site at <http://www.ttb.gov/wine/wine-rulemaking.shtml> under Notice No. 133. You also may view copies of this notice, all related petitions, maps, or other supporting materials, and any comments that TTB receives about this proposal by appointment at the TTB Information Resource Center, 1310 G Street, NW., Washington, DC 20005. Please call 202–453–2270 to make an appointment.

FOR FURTHER INFORMATION CONTACT:

Karen A. Thornton, Regulations and Rulings Division, Alcohol and Tobacco Tax and Trade Bureau, 1310 G St. NW., Box 12, Washington, DC 20005; phone 202–453–1039, ext. 175.

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 FAA Act pursuant to section 1111(d) of the Homeland Security Act of 2002, codified at 6 U.S.C. 531(d). The Secretary has delegated various authorities through Treasury Department Order 120–01 (Revised), dated January 21, 2003, to the TTB Administrator to perform the functions and duties in the administration and enforcement of this law.

Part 4 of the TTB regulations (27 CFR part 4) allows the establishment of definitive viticultural areas and the use

of their names as appellations of origin on wine labels and in wine advertisements. Part 9 of the TTB regulations (27 CFR part 9) sets forth standards for the preparation and submission of petitions for the establishment or modification of American viticultural areas and lists the approved American viticultural areas.

Definition

Section 4.25(e)(1)(i) of the TTB regulations (27 CFR 4.25(e)(1)(i)) defines a viticultural area for American wine as a delimited grape-growing region having distinguishing features as described in part 9 of the regulations and a name and a delineated boundary as established in part 9 of the regulations. These designations allow vintners and consumers to attribute a given quality, reputation, or other characteristic of a wine made from grapes grown in an area to its geographic origin. The establishment of viticultural areas allows vintners to describe more accurately the origin of their wines to consumers and helps consumers to identify wines they may purchase. Establishment of a viticultural area is neither an approval nor an endorsement by TTB of the wine produced in that area.

Requirements

Section 4.25(e)(2) of the TTB regulations outlines the procedure for proposing an American viticultural area and provides that any interested party may petition TTB to establish a grape-growing region as a viticultural area. Section 9.12 of the TTB regulations (27 CFR 9.12) prescribes standards for petitions for the establishment or modification of American viticultural areas. Such petitions must include the following:

- Evidence that the area within the proposed viticultural area boundary is nationally or locally known by the viticultural area name specified in the petition;
- An explanation of the basis for defining the boundary of the proposed viticultural area;
- A narrative description of the features of the proposed viticultural area that affect viticulture, such as climate, geology, soils, physical features, and elevation, and that make the proposed viticultural area distinctive and distinguish it from adjacent areas outside the proposed viticultural area boundary;
- A copy of the appropriate United States Geological Survey (USGS) map(s) showing the location of the proposed viticultural area, with the boundary of

the proposed viticultural area clearly drawn thereon; and

- A detailed narrative description of the proposed viticultural area boundary based on USGS map markings.

Moon Mountain District Sonoma County Petition

TTB received a petition from Patrick L. Shabram on behalf of Christian Borchner, a representative of the vintners and grape growers in the proposed viticultural area, proposing the establishment of the “Moon Mountain District Sonoma County” viticultural area in northern California. The proposed viticultural area contains approximately 17,663 acres, of which 1,500 acres are dedicated to commercially-producing vineyards. The petition states that there are 11 bonded wineries and approximately 40 commercially-producing vineyards dispersed throughout the proposed viticultural area. According to the petition, the distinguishing features of the proposed viticultural area include its topography, geology, climate, and soils. Unless otherwise noted, all information and data referenced herein concerning the name, boundary, and distinguishing features of the proposed viticultural area are from the petition for the proposed Moon Mountain District Sonoma County viticultural area and its supporting exhibits.

TTB notes that the proposed Moon Mountain District Sonoma County viticultural area lies completely within the existing Sonoma Valley viticultural area (27 CFR 9.29), which, in turn, is entirely within the multi-county North Coast (27 CFR 9.30) viticultural area. The proposed viticultural area does not overlap with any other existing or proposed viticultural area.

Name Evidence

The proposed viticultural area is named for a particular mountain peak in the Mayacmas Mountains, known as Moon Mountain. According to the petition, the name “Moon Mountain” became officially associated with the region of the proposed viticultural area in 1957, when the Sonoma County Board of Supervisors renamed Goldstein Road as Moon Mountain Drive in response to a petition submitted by residents who lived and owned property along the road. The road’s new name reflected the mountainous region’s association with the adjacent valley known as the Valley of the Moon. Goldstein Road appears on the 1951 USGS map (Sonoma Quadrangle) that was included with the petition for the purposes of determining the boundary of the proposed viticultural area.

According to the USGS map, Goldstein Road does run through the proposed viticultural area, running eastward from the Valley of the Moon into the Mayacmas Mountains.

At the time Goldstein Road was renamed Moon Mountain Drive, there was no peak in the region officially designated as "Moon Mountain." In 2007, residents along Moon Mountain Drive petitioned the USGS Board on Geographic Names to designate a particular unnamed peak near the easternmost end of the road as "Moon Mountain," noting that several residents and businesses along the road incorporated the name "Moon Mountain" in the names of their homesteads and businesses and that "logic suggests there should be a Moon Mountain nearby." The Board granted the petition and officially designated the peak "Moon Mountain." Although the 1951 USGS map (Sonoma Quadrangle) does not show any peak labeled "Moon Mountain," the current petition notes that Moon Mountain is located near Mount Pisgah, near the easternmost end of Moon Mountain Drive. Both Mount Pisgah and Goldstein Road/Moon Mountain Drive appear on the USGS map and are within the proposed viticultural area boundary. Additionally, a search of the United States Geographic Names Information System (USGNIS) does currently list a peak in Sonoma County named "Moon Mountain."

Several local businesses within the proposed viticultural area use the name "Moon Mountain," including Moon Mountain Retreat, Moon Mountain Christmas Tree Farm, and Moon Mountain Studios. According to the petitioner, a number of businesses opened in the area between 1978 and 2004, incorporating "Moon Mountain" in their names. The Moon Mountain Christmas Tree Farm was established around 1978, the Moon Mountain Studios opened in 1994, and the Moon Mountain Retreat opened around 2004. The long-standing use of the name "Moon Mountain" by these businesses demonstrates that residents associated the name "Moon Mountain" with the area long before the peak was officially designated in 2007.

Because the USGNIS identifies nine other States that have peaks or locations known as "Moon Mountain," the petitioner, after discussions with TTB, proposed the name "Moon Mountain District Sonoma County," in order to distinguish the proposed viticultural area geographically and avoid possible consumer confusion with other locations known as "Moon Mountain."

Boundary Evidence

The proposed Moon Mountain District Sonoma County viticultural area is a long, narrow region covering approximately 17,663 acres on the western slopes of the Mayacmas Mountains. The proposed viticultural area extends from Sugarloaf Ridge in the north to the city of Sonoma in the south, and from the Valley of the Moon and Sonoma Valley in the west to the shared Sonoma/Napa county line in the east.

A series of lines drawn between marked points on the USGS map defines the northern portion of the proposed boundary and separates the proposed viticultural area from the steeper, more rugged slopes of Sugarloaf Ridge. The northern portion of the proposed boundary also approximates the point where the neighboring Valley of the Moon makes a distinct westward turn. According to the petition, this bend in the valley is an important feature because regions to the north of the bend are more influenced by breezes from the Pacific Ocean, whereas points south of the bend, including the proposed viticultural area, are more influenced by winds moving inland from San Pablo Bay.

The eastern portion of the proposed boundary follows the border between Sonoma and Napa Counties, along the ridgeline of the Mayacmas Mountains. The proposed boundary separates the west-facing slopes of the proposed viticultural area from the east-facing slopes on the opposite side of the ridge. Additionally, a portion of the proposed eastern boundary is shared with the western boundary of the established Mt. Veeder viticultural area (27 CFR 9.123), which is located on the eastern slopes of the Mayacmas Mountains in Napa County.

A series of lines drawn between features on the USGS map forms the southern portion of the proposed boundary. South of the proposed boundary, outside the proposed viticultural area, the terrain is marked by lower, rolling hills and flatlands that descend to the Napa Marsh along the shoreline of San Pablo Bay.

The western portion of the proposed boundary follows the 400-foot elevation contour line and the 600-foot elevation contour line to separate the steeper slopes and higher elevations of the proposed viticultural area from the lower, flatter terrain of the Valley of the Moon and Sonoma Valley.

Distinguishing Features

The distinguishing features of the proposed Moon Mountain District Sonoma County viticultural area are topography, geology, climate, and soils.

Topography

The proposed Moon Mountain District Sonoma County viticultural area is a mountainous region situated on the western slopes of the Mayacmas Mountains south of Sugarloaf Ridge. The slope angles of the proposed viticultural area are moderate, and elevations range from approximately 400 feet near the city of Sonoma, to the south and southwest, to 2,200 feet along the highest ridges near the shared Sonoma/Napa County line that forms the eastern boundary of the proposed viticultural area. The high elevations and moderate slope angles allow cool air to drain off the proposed viticultural area at night and into the adjoining Valley of the Moon and Sonoma Valley, reducing frost in the mountains during the late spring and early fall.

The terrain of the proposed viticultural area predominately faces to the west, allowing the vineyards to receive sunlight in the afternoon, when solar radiation is more intense and less likely to be blocked by fog. High levels of solar radiation cause grapes to accumulate sugars faster, ripen earlier, and retain less acid at harvest, so growers must account for solar radiation exposure when determining the optimal harvest period from their crops. (See "An Introduction to Environmental Influences on Ripening in Grapes: Focus on Wine and Phenolics," by Julie M. Tarara and Jungmin Lee, United States Department of Agriculture, Agricultural Research Service, August 18, 2011.)

To the north of the proposed viticultural area, the mountain sides beyond Sugarloaf Ridge become too steep for commercial viticulture, with elevation changes of 1,100 feet in less than 900 feet of horizontal distance. To the east, the terrain of the established Mt. Veeder viticultural area is similar to that of the proposed viticultural area, but the easterly slope orientation of the Mt. Veeder viticultural area means the vineyards receive most of their sunlight during the morning, when solar radiation is less intense. To the south, the elevation gradually descends and the terrain is characterized by low hills and flatlands and then the wetlands of the Napa Marsh along the shores of San Pablo Bay. To the west are the lower, flatter floors of the Valley of the Moon and Sonoma Valley.

Geology

The geology of the proposed Moon Mountain District Sonoma County viticultural area is dominated by the Sonoma Volcanic Group, a series of extrusive igneous rock formations. Formations in this group are primarily

created from Pliocene andesitic and basaltic lava flows. Additional formations consist of rhyolite lava flows and ash mixed with andesitic and basaltic lava flows. As these rock formations weather over time, they form rocky soils that provide good drainage for vineyards.

To the immediate north of the proposed viticultural area, the geology is similar to that of the proposed viticultural area, but only at the lowest elevations. As the elevations to the north increase, the geology is dominated by the Franciscan Assemblage, which is composed of sedimentary and metamorphic rocks of the Jurassic and Cretaceous Periods, particularly serpentine rocks.

To the east of the proposed viticultural area, within the established Mt. Veeder viticultural area, the geology is characterized by the Great Valley Sequence. The Great Valley Sequence is comprised mainly of sedimentary rock from the Lower Cretaceous and Upper Jurassic Periods.

To the south of the proposed viticultural area, the geological formations are of the Huichica

Formation. Rocks of this formation are sedimentary. Alluvial fan deposits and fluvial deposits from the Quaternary Period are also present in this region.

To the west of the proposed viticultural area, the floors of the Valley of the Moon and Sonoma Valley are dominated by alluvial and fluvial sediments and sedimentary rock formations.

Climate

The climate of the proposed Moon Mountain District Sonoma County viticultural area is moderated by coastal influences from two sources—the Pacific Ocean and San Pablo Bay. Breezes from the Pacific Ocean travel from the north across the Santa Rosa Plains and into the Valley of the Moon, which is adjacent to the western boundary of the proposed viticultural area. Coastal air from San Pablo Bay moves from the south across the Napa Marsh and into Sonoma Valley, which is adjacent to the southern and southwestern boundary of the proposed viticultural area.

Although cooling marine air and fog enters the proposed viticultural area

from two directions, the climate of the proposed viticultural area is generally warmer than the surrounding area due to its inland location and higher elevations. Because the proposed Moon Mountain District Sonoma County viticultural area is located at the southern end of the Valley of the Moon and the northern end of Sonoma Valley, the marine breezes and fog from both the Pacific Ocean and San Pablo Bay are warmer and less intense by the time they reach the proposed viticultural area. Additionally, the higher elevation of the proposed viticultural area places it above most of the cooling marine fog, which is heaviest in the neighboring valleys.

The petition included a comparison of growing degree day¹ (GDD) accumulations from locations within the proposed viticultural area as well as from the regions to the northwest, west, and south. Data was not provided for areas to the immediate north and east of the proposed viticultural area. The data was gathered from weather stations from 2006 through 2010. TTB prepared the following table using data included in the petition.

Weather station site	Average growing degree days 2006–2010	Winkler classification region
Outside Proposed Viticultural Area:		
Santa Rosa ² (Northwest)	1801	I
Bennett Valley viticultural area (West)	2096	I
Los Carneros viticultural area (South)	2269	I
Nicholson Ranch (South)	2811	II
PNA Vineyards (South)	2696	II
Within Proposed Viticultural Area:		
Rancho Salina	2964	II
Moon Mountain Feather	3326	III
Moon Mountain Barn	2908	III
Kamen Vineyards	3018	III

² Because data from 2006 was incomplete, the average GDD accumulation for Santa Rosa covers only 2007 through 2010.

The data in the table indicates that locations within the proposed Moon Mountain District Sonoma County have greater GDD accumulations than locations to the northwest and south. Three of the four proposed viticultural area vineyards in the table fall in the warm Region III category, and the fourth is within the moderately cool Region II. By contrast, three of the five locations outside the proposed viticultural area are classified in the very cool Region I. The regions to the northwest and south

of the proposed viticultural area are closer to the Pacific Ocean and San Pablo Bay and receive more of the cooling marine breezes, and the locations to the west are at lower elevations and are more affected by marine fog. High GDD accumulations make the proposed viticultural area suitable for the growing warmer weather Zinfandel grapes, which are not commonly grown in the cooler surrounding regions.

The petition also compared the lowest growing season temperatures recorded

at four vineyards within the proposed viticultural area to those of two vineyard locations outside the proposed viticultural area to the south and southwest in the adjacent Sonoma Valley. Data was not available for the surrounding regions to the north and east. The data was collected in April and October during 2009 and 2010. The two months were chosen because temperatures generally fall to their lowest points at the beginning and end of the growing season.

¹ In the Winkler climate classification system, annual heat accumulation during the growing season, measured in annual GDD, defines climatic

regions. One GDD accumulates for each degree Fahrenheit that a day's mean temperature is above 50 degrees, the minimum temperature required for

grapevine growth ("General Viticulture," by Albert J. Winkler, University of California Press, 1974, pages 61–64).

Station	Elevation (feet)	2009		2010	
		April	October	April	October
Within proposed viticultural area:					
Rancho Salina	(¹)	36.3	43.3	35.3	45.5
Moon Mountain Feather	1,500	34.6	40.6	34.8	46.1
Moon Mountain Barn	1,050	33.4	37.7	33.9	43.3
Kamen Vineyards	1,000–1,300	34.6	39.3	35.4	44.7
Outside proposed viticultural area:					
Nicholson Ranch	185	29.3	37.2	33.3	(¹)
PNA Vineyard	25	33.3	(¹)	33.3	31.7

¹ Not available.

As shown in the table, the lowest temperatures recorded for the four vineyards within the proposed Moon Mountain District Sonoma County viticultural area are generally warmer than those of the two vineyards outside the proposed viticultural area. According to the petition, the warmer temperatures can be attributed to the higher elevations of the proposed viticultural area. At night, the heavier cool air drains off the higher elevations and

settles in the lower elevations of the neighboring Valley of the Moon and Sonoma Valley, lowering the valleys' temperatures. Warmer temperatures at the beginning of the growing season promote bud break and reduce the risk of frost damage to tender new growth, and warmer temperatures at the end of the growing season allow more maturation time for the fruit.

Soils

The soils of the proposed Moon Mountain District Sonoma County viticultural area are primarily derived from volcanic rock. Soils derived from sedimentary rock, including alluvium from sedimentary sources, make up less than one half of one percent of the soils of the proposed viticultural area. The following table lists the various soil series found within the proposed viticultural area.

Soil series	Acreage within proposed viticultural area	Percent of total viticultural area
Goulding	6,150	36.55
<i>Goulding</i>	3,521	23.40
<i>Goulding Toomes Complex</i>	2,629	15.62
Rock Land	3,937	23.4
Red Hill	2,923	17.37
Spreckels	1,478	8.78
Forward	1,242	7.38
Laniger	717	4.26
Cohasset	110	0.65
Toomes	83	0.50
Raynor	59	0.35
Suther	58	0.35
Huichica	28	0.17
Kidd	18	0.11
Clear Lake	16	0.09
Henneke	6	0.03
Other (quarries)	3	0.02
TOTAL	16,827	100

The most common soils within the proposed viticultural area are Goulding series soils, including Goulding Toomes Complex soils. These soils are described in the petition as dark brown soils of volcanic origin. Red Hills soils, the second-most common soil series within the proposed viticultural area, are similar in appearance to Goulding soils and are also derived from volcanic sources. Rock Land soils are found at high elevations and are described as rhyolitic tuff rock covered with light colored soils, including Forward, Kidd, and Laniger series soils. Small amounts of Rock Land soils are also found at lower elevations within the proposed viticultural area, primarily as a result of weathering of material from the higher

ridges. Spreckels and Forward series soils have similar grayish-brown coloring and are both found on hills and slopes with tuff sediment. All of these volcanic soils are described as thin, well drained, loamy soils. According to the petition, thin, well drained soils prevent the roots of the vines from penetrating deeply and result in greater stress on the vine and less vigorous growth. Less vigorous growth leads to smaller fruit yields, but the flavors of the grapes are highly concentrated.

To both the north and east of the proposed Moon Mountain District Sonoma County viticultural area, the soils are primarily sedimentary in origin. These soils are derived from shale and sandstone, which are not

present within the proposed Moon Mountain District Sonoma County viticultural area. To the south and west, in the Valley of the Moon and Sonoma Valley, the soils are predominately alluvial, including Hire, Huichica, and Tuscan series.

Comparison of the Proposed Moon Mountain District Sonoma County Viticultural Area to the Existing Sonoma Valley and North Coast Viticultural Areas

Sonoma Valley Viticultural Area

The Sonoma Valley viticultural area was established by T.D. ATF-96, which was published in the **Federal Register** on December 4, 1981 (46 FR 59238). It

is located in southeastern Sonoma County, California, and contains both valleys and upland terrain. The Sonoma Valley viticultural area is bordered by the Santa Rosa Plain to the north, San Pablo Bay to the south, the Sonoma Mountains to the west, and the Sonoma/Napa County line, along the ridge of the Mayacmas Mountains, to the east. At the center of the viticultural area are the Valley of the Moon and Sonoma Valley which, according to the current petition, are often collectively referred to as "Sonoma Valley." T.D. ATF-96 states that the Sonoma Valley viticultural area is shielded from the heat of California's Central Valley, to the east, by the Mayacmas Mountains. The Sonoma Mountains, to the west, prevent heavy marine fog from intruding into most of the viticultural area while still allowing cool breezes and lighter fogs to penetrate the area. The protected nature of the viticultural area leads to moderate summer and winter temperatures that distinguish it from the surrounding regions.

The proposed Moon Mountain District Sonoma County viticultural area is located entirely within the eastern portion of the Sonoma Valley viticultural area, along the western slopes of the Mayacmas Mountains. A portion of the proposed viticultural area's eastern boundary is shared with the eastern boundary of the Sonoma Valley viticultural area. Like the Sonoma Valley viticultural area, the proposed viticultural area benefits from the moderating effect of cool breezes and light fogs from both the Pacific Ocean and San Pablo Bay and is protected from the heaviest marine intrusion by the Sonoma Mountains. However, the proposed Moon Mountain District Sonoma County viticultural area is comprised entirely of moderately steep mountain slopes, whereas the Sonoma Valley viticultural area also contains the lower, flatter Valley of the Moon and Sonoma Valley. Additionally, the alluvial soils that are prevalent in the lowland portions of the Sonoma Valley viticultural area are scarce within the proposed viticultural area, which primarily contains volcanic soils.

North Coast Viticultural Area

The North Coast viticultural area was established by T.D. ATF-145, which was published in the **Federal Register** on September 21, 1983 (48 FR 42973). It includes all or portions of Napa, Sonoma, Mendocino, Solano, Lake, and Marin Counties, California. TTB notes that the North Coast viticultural area contains all or portions of approximately 40 established viticultural areas, in addition to the area

covered by the proposed Moon Mountain District Sonoma County viticultural area. In the conclusion of the "Geographical Features" section of the preamble, T.D. ATF-145 states that "[d]ue to the enormous size of the North Coast, variations exist in climatic features such as temperature, rainfall, and fog intrusion."

The proposed Moon Mountain District Sonoma County viticultural area shares the basic viticultural feature of the North Coast viticultural area: the marine influence that moderates growing season temperatures in the area. However, the proposed viticultural area is much more uniform in its geography, geology, climate, and soils than the diverse multicounty North Coast viticultural area. In this regard, TTB notes that T.D. ATF-145 specifically states that "approval of this viticultural area does not preclude approval of additional areas, either wholly contained with the North Coast, or partially overlapping the North Coast," and that "smaller viticultural areas tend to be more uniform in their geographical and climatic characteristics, while very large areas such as the North Coast tend to exhibit generally similar characteristics, in this case the influence of maritime air off of the Pacific Ocean and San Pablo Bay." Thus, the proposal to establish the Moon Mountain District Sonoma County viticultural area is not inconsistent with what was envisioned when the North Coast viticultural area was established.

TTB Determination

TTB concludes that the petition to establish the 17,663-acre Moon Mountain District Sonoma County viticultural area merits consideration and public comment, as invited in this notice.

Boundary Description

See the narrative boundary description of the petitioned-for viticultural area in the proposed regulatory text published at the end of this notice.

Maps

The petitioner provided the required maps, and TTB lists them below in the proposed 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. If TTB establishes this proposed viticultural area, its name, "Moon Mountain District Sonoma County," will be recognized as

a name of viticultural significance under 27 CFR 4.39(i)(3). The text of the proposed regulation clarifies this point. Consequently, wine bottlers using "Moon Mountain District Sonoma County" in a brand name, including a trademark, or in another label reference as to the origin of the wine, will have to ensure that the product is eligible to use the viticultural area's name as an appellation of origin. The approval of the proposed Moon Mountain District Sonoma County viticultural area would not affect any existing viticultural area, and any bottlers using "Sonoma Valley" or "North Coast" as an appellation of origin or in a brand name for wines made from grapes grown within the Sonoma Valley or North Coast viticultural areas would not be affected by the establishment of this new viticultural area. The establishment of the Moon Mountain District Sonoma County viticultural area would allow vintners to use "Moon Mountain District Sonoma County," "Sonoma Valley," and "North Coast" as appellations of origin for wines made from grapes grown within the Moon Mountain District Sonoma County viticultural area if the wines meet the eligibility requirements for the appellation.

On the other hand, TTB does not believe that any single part of the proposed viticultural area name standing alone, that is, "Moon Mountain," "Moon Mountain District," or "Sonoma County," would have viticultural significance in relation to this proposed viticultural area because: (1) according to the USGNIS, the "Moon Mountain" area name refers to 22 locations, including 14 mountain peaks in 9 States, so TTB believes that a determination of "Moon Mountain" or "Moon Mountain District" as terms of viticultural significance could lead to consumer and industry confusion and should be avoided; and (2) "Sonoma County," standing alone, is already a term of viticultural significance under 27 CFR 4.39(i)(3), which states that "[a] name has viticultural significance * * * when it is the name of a state or county * * *." Therefore, the proposed part 9 regulatory text set forth in this document specifies only "Moon Mountain District Sonoma County" as a term of viticultural significance for purposes of part 4 of the TTB regulations.

For a wine to be labeled with a viticultural area name or with a brand name that includes a viticultural area name, at least 85 percent of the wine must be derived from grapes grown within the area represented by that name, and the wine must meet the other

conditions listed in 27 CFR 4.25(e)(3). If the wine is not eligible for labeling with a viticultural area name and that name 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 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.

Public Participation

Comments Invited

TTB invites comments from interested members of the public on whether it should establish the proposed viticultural area. TTB is also interested in receiving comments on the sufficiency and accuracy of the name, boundary, topography, soils, climate, and other required information submitted in support of the petition. In addition, given the proposed Moon Mountain District Sonoma County viticultural area's location within the existing North Coast and Sonoma Valley viticultural areas, TTB is interested in comments on whether the evidence submitted in the petition regarding the distinguishing features of the proposed viticultural area sufficiently differentiates it from the existing North Coast and Sonoma Valley viticultural areas. TTB is also interested in comments on whether the geographic features of the proposed viticultural area are so distinguishable from the surrounding North Coast and Sonoma Valley viticultural areas that the proposed Moon Mountain District Sonoma County viticultural area should no longer be part of those viticultural areas. Please provide any available specific information in support of your comments.

Because of the potential impact of the establishment of the proposed Moon Mountain District Sonoma County viticultural area on wine labels that include the term "Moon Mountain District Sonoma County" as discussed above under Impact on Current Wine Labels, TTB is particularly interested in comments regarding whether there will be a conflict between the proposed area name and currently used brand names. If a commenter believes that a conflict will arise, the comment should describe the nature of that conflict, including any anticipated negative economic impact

that approval of the proposed viticultural area will have on an existing viticultural enterprise. TTB is also interested in receiving suggestions for ways to avoid conflicts, for example, by adopting a modified or different name for the viticultural area.

Submitting Comments

You may submit comments on this notice by using one of the following three methods:

- **Federal e-Rulemaking Portal:** You may send comments via the online comment form posted with this notice within Docket No. TTB-2013-0002 on "Regulations.gov," the Federal e-rulemaking portal, at <http://www.regulations.gov>. A direct link to that docket is available under Notice No. 133 on the TTB Web site at <http://www.ttb.gov/wine/wine-rulemaking.shtml>. Supplemental files may be attached to comments submitted via Regulations.gov. For complete instructions on how to use Regulations.gov, visit the site and click on the "Help" tab at the top of the page.

- **U.S. Mail:** You may send comments via postal mail to the Director, Regulations and Rulings Division, Alcohol and Tobacco Tax and Trade Bureau, 1310 G Street NW., Box 12, Washington, DC 20005.

- **Hand Delivery/Courier:** You may hand-carry your comments or have them hand-carried to the Alcohol and Tobacco Tax and Trade Bureau, 1310 G Street NW., Suite 200E, Washington, DC 20005.

Please submit your comments by the closing date shown above in this notice. Your comments must reference Notice No. 133 and include your name and mailing address. Your comments also must be made in English, be legible, and be written in language acceptable for public disclosure. TTB does not acknowledge receipt of comments, and TTB considers all comments as originals.

Your comment must clearly state if you are commenting on your own behalf or on behalf of an organization, business, or other entity. If you are commenting on behalf of an organization, business, or other entity, your comment must include the entity's name as well as your name and position title. If you comment via Regulations.gov, please enter the entity's name in the "Organization" blank of the online comment form. If you comment via postal mail or hand delivery/courier, please submit your entity's comment on letterhead.

You may also write to the Administrator before the comment closing date to ask for a public hearing.

The Administrator reserves the right to determine whether to hold a public hearing.

Confidentiality

All submitted comments and attachments are part of the public record and subject to disclosure. Do not enclose any material in your comments that you consider to be confidential or inappropriate for public disclosure.

Public Disclosure

On the Federal e-rulemaking portal, Regulations.gov, TTB will post, and you may view, copies of this notice, selected supporting materials, and any electronic or mailed comments TTB receives about this proposal. A direct link to that docket is available on the TTB Web site at <http://www.ttb.gov/wine/wine-rulemaking.shtml> under Notice No. 133. You may also reach the docket containing this notice and the posted comments received on it through the Regulations.gov search page at <http://www.regulations.gov>.

All posted comments will display the commenter's name, organization (if any), city, and State, and, in the case of mailed comments, all address information, including email addresses. TTB may omit voluminous attachments or material that the Bureau considers unsuitable for posting.

You may also view copies of this notice, all related petitions, maps and other supporting materials, and any electronic or mailed comments that TTB receives about this proposal by appointment at the TTB Information Resource Center, 1310 G Street, NW., Washington, DC 20005. You may also obtain copies at 20 cents per 8.5- x 11-inch page. Contact TTB's information specialist at the above address or by telephone at 202-453-2270 to schedule an appointment or to request copies of comments or other materials.

Regulatory Flexibility Act

TTB certifies that this proposed regulation, if adopted, would not have a significant economic impact on a substantial number of small entities. The proposed regulation imposes no new reporting, recordkeeping, or other administrative requirement. Any benefit derived from the use of a viticultural area name would be 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 proposed rule is not a significant regulatory action as defined by

Executive Order 12866. Therefore, no regulatory assessment is required.

Drafting Information

Karen A. Thornton of the Regulations and Rulings Division drafted this proposed rule.

List of Subjects in 27 CFR Part 9

Wine.

Proposed Regulatory Amendment

For the reasons discussed in the preamble, TTB proposes to amend title 27, chapter I, part 9, Code of Federal Regulations, 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. Subpart C is amended by adding § 9. ____ to read as follows:

§ 9. ____ Moon Mountain District Sonoma County.

(a) *Name.* The name of the viticultural area described in this section is “Moon Mountain District Sonoma County”. For purposes of part 4 of this chapter, “Moon Mountain District Sonoma County” is a term of viticultural significance.

(b) *Approved maps.* The four United States Geological Survey (USGS) 1:24,000 scale topographic maps used to determine the boundary of the Moon Mountain District Sonoma County viticultural area are titled:

(1) Rutherford, Calif., 1951, photorevised 1968;

(2) Sonoma, Calif., 1951, photorevised 1980;

(3) Glen Ellen, Calif., 1954, photorevised 1980;

(4) Kenwood, Calif., 1954, photorevised 1980; and

(c) *Boundary.* The Moon Mountain District Sonoma County viticultural area is located in Sonoma County, California. The boundary of the Moon Mountain District Sonoma County viticultural area is as follows:

(1) The beginning point is on the Rutherford map at the 2,188-foot elevation point located on the Sonoma-Napa County boundary line in section 26, T7N/R6W. From the beginning point, proceed southerly along the meandering Sonoma-Napa County boundary line, crossing onto the Sonoma map, to intersection of the county line and Lovall Valley Road, Huichica Land Grant; then

(2) Continue along the Sonoma-Napa County boundary line approximately 0.2 mile to the intersection of the county line and the end of an unnamed light-duty road; then

(3) Proceed southwesterly in a straight line approximately 1.2 miles, passing through the marked 692-foot peak, to the intersection of the line with an unnamed light-duty road known locally as Thornsberry Road; then

(4) Proceed north-northwesterly in a straight line approximately 1 mile to the intersection of two unnamed light-duty roads known locally as Castle Road and Bartholomew Road (marked by the 218-foot elevation point); then

(5) Proceed west in a straight line approximately 1.4 miles, passing through the southern-most quarry marked on Schocken Hill, to the intersection of the line with the 400-foot elevation line, Pueblo Lands of Sonoma; then

(6) Proceed northwesterly along the meandering 400-foot elevation line for approximately 7.4 miles, crossing onto the Glen Ellen map and then the Kenwood map, to the intersection of the contour line with Nelligan Road, near the mouth of Nunns Canyon, T6N/R6W; then

(7) Proceed northerly on Nelligan Road approximately 0.6 miles to the intersection of the road with the 600-foot elevation line; then

(8) Proceed northwest along the 600-foot elevation line approximately 1.8 miles to its second intersection with a marked trail (near a marked quarry and approximately 0.2 mile southeasterly of a marked 973-foot peak), Los Guillicos Land Grant; then

(9) Proceed east-northeasterly in a straight line approximately 0.8 miles to the marked 1,483-foot peak; then

(10) Proceed east-southeasterly in a straight line approximately 1.5 miles, crossing onto the Rutherford map, returning to the beginning point.

Signed: February 26, 2013.

Mary G. Ryan,

Acting Administrator.

[FR Doc. 2013-04905 Filed 3-1-13; 8:45 am]

BILLING CODE 4810-31-P

DEPARTMENT OF HOMELAND SECURITY

Coast Guard

46 CFR Part 67

[Docket No. USCG-2010-0990]

RIN 1625-AB56

Vessel Documentation Renewal Fees

AGENCY: Coast Guard, DHS.

ACTION: Notice of proposed rulemaking.

SUMMARY: The Coast Guard proposes to amend its regulations to separately list an annual fee for renewals of endorsements upon the Certificate of Documentation. The Coast Guard is required to establish user fees for services related to the documentation of vessels. This proposed rule would separately list a fee of \$26 to cover the current costs of the vessel documentation services provided by the Coast Guard.

DATES: Comments and related material must either be submitted to our online docket via <http://www.regulations.gov> on or before May 3, 2013 or reach the Docket Management Facility by that date.

ADDRESSES: You may submit comments identified by docket number USCG 2010-0990 using any one of the following methods:

(1) *Federal eRulemaking Portal:* <http://www.regulations.gov>.

(2) *Fax:* 202-493-2251.

(3) *Mail:* Docket Management Facility (M-30), U.S. Department of Transportation, West Building Ground Floor, Room W12-140, 1200 New Jersey Avenue SE., Washington, DC 20590-0001.

(4) *Hand delivery:* Same as mail address above, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The telephone number is 202-366-9329.

To avoid duplication, please use only one of these four methods. See the “Public Participation and Request for Comments” portion of the **SUPPLEMENTARY INFORMATION** section below for instructions on submitting comments.

FOR FURTHER INFORMATION CONTACT: If you have questions on this proposed rule, call or email Mary Jager, CG-DCO-832, Coast Guard, telephone 202-372-1331, email Mary.K.Jager@uscg.mil. If you have questions on viewing or submitting material to the docket, call Renee V. Wright, Program Manager, Docket Operations, telephone 202-366-9826.