transportation serving the metropolitan planning area,” and “peer reviews and exchanges of... performance-based planning.” FTA removed “arts and artistic design” from the list of eligible grant activities to comply with 49 U.S.C. 5323, as amended by the FAST Act. In Section 4, FTA reordered subsections identifying the components of a UPWP. In Section 9, FTA added programs created by MAP–21 and the FAST Act, and removed references to programs repealed by MAP–21 and the FAST Act.

C. Chapter III—State Planning and Research Program

Chapter III provides an overview of the SPRP in terms of its statutory authority and program goals, and explains the program’s relationship to and coordination with other FTA-funded programs. The chapter also defines the role of the individual States and FTA, and provides information on eligible grant activities, SPRP assistance formula and notification, and State planning activities. In Section 2, FTA removed “training and educational activities” and “human resource program activities” from the list of eligible grant activities for the SPRP because the statutory basis for their eligibility was removed by MAP–21. In Section 5, FTA added programs created by MAP–21 and the FAST Act, and removed references to programs repealed by MAP–21 and the FAST Act.

D. Chapter IV—Consolidated Planning Grants

Chapter IV provides information on the Consolidated Planning Grant (CPG) Program, a program administered by FTA and FHWA. The CPG Program allows FTA and FHWA funding that supports metropolitan and statewide transportation planning to be combined into a single consolidated grant, which fosters a cooperative effort between the Federal agencies and the participating States to streamline the delivery of their planning programs by providing the flexibility to transfer the planning funds to either FTA or FHWA for processing. In Section 1, FTA clarified that FTA funds used for metropolitan planning in a CPG are allowed to have the same match ratio as the FHWA Metropolitan Planning funds.

E. Chapter V—Application Instructions

Chapter V details the application process of MPOs and States that apply for and receive funds from MPP and SPRP grants. FTA made no substantive changes to this chapter.

F. Appendices

FTA made minor, clarifying edits to the appendices.

Issued in Washington, DC.

K. Jane Williams,
Acting Administrator.

[FR Doc. 2018–17032 Filed 8–8–18; 8:45 am]

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DEPARTMENT OF TRANSPORTATION
Pipeline and Hazardous Materials Safety Administration

[Docket No. PHMSA–2017–0129]

Pipeline Safety: Underground Natural Gas Storage Facility User Fee

AGENCY: Pipeline and Hazardous Materials Safety Administration (PHMSA), DOT.

ACTION: Notice of agency action.

SUMMARY: On December 8, 2017, PHMSA published a notice and request for comments in the Federal Register titled: “Underground Natural Gas Storage Facility User Fee” seeking comments from underground natural gas storage facility (UNGFS) operators on a proposal to use UNGFS annual report data in the user fee rate structure. PHMSA received two comments in the docket. We are publishing this notice to address the comments received and to announce that PHMSA has used UNGFS annual report data about the number of wells in the user fee rate structure for the Pipeline Safety Fund’s Underground Natural Gas Storage Facility Safety Account.


SUPPLEMENTARY INFORMATION:

Background

The Consolidated Omnibus Budget Reconciliation Act of 1986 (COBRA) (Pub. L. 99–272, sec. 7005), codified in part at section 60301 of title 49, United States Code, authorizes the assessment and collection of user fees to fund the pipeline safety activities conducted under chapter 601 of title 49. On June 22, 2016, President Obama signed into law the “Protecting our Infrastructure of Pipelines and Enhancing Safety Act of 2016” (Pub. L. 114–183) (PIPES Act of 2016). The PIPES Act of 2016 mandates that PHMSA issue regulations for UNGFS facilities, authorizes user fees on operators of these facilities, and directs PHMSA to prescribe procedures to collect those fees upon appropriation. Section 2 of the PIPES Act of 2016 authorizes $8 million per year to be appropriated from those fees for each of FY 2017–2019 for the newly established Underground Natural Gas Storage Facility Safety Account in the Pipeline Safety Fund. After Congress appropriates funds to this account for fiscal year (FY) 2018 and beyond, PHMSA will collect user fees from the operators of the facilities.

Summary of Comments

The December 8, 2017 notice advised all UNGFS facility operators of a proposed PHMSA pipeline user fee assessment and rate structure (82 FR 58045). During the one-month response period, PHMSA received comments from two commenters on the proposed UNGFS user fee billing methodology: WBI Energy Transmission Inc., and National Fuel Gas Supply Corporation. The comments can be found at http://www.regulations.gov in Docket Number PHMSA–2017–0129. WBI Energy Transmission Inc., submitted comments supporting the rate structure proposed by PHMSA in the December 8, 2017 notice. The remaining comment is summarized below with PHMSA’s response:

Comment: National Fuel Gas Supply Corporation stated that well count alone is not an appropriate measure for determining a user fee since larger wells will require more regulatory oversight than smaller wells.

Response: Each well penetrating an underground natural gas storage reservoir represents a risk. Currently, PHMSA intends to apply a consistent level of regulatory oversight to all wells, regardless of size. As PHMSA implements its underground storage inspection program, we may gain insights leading to a user fee methodology more reflective of regulatory oversight effort.

Underground Natural Gas Storage Facility User Fee Plan

During the FY 2018 user fee process, PHMSA has used calendar year (CY) 2016 annual report data for gas transmission pipelines, hazardous liquid pipelines, and liquefied natural gas facilities. Using CY 2016 data ensures adequate time to verify annual report data quality and still be able to send user fee assessments promptly after appropriation. PHMSA does not have CY 2016 annual report data for underground natural gas storage facilities. Congress appropriated UNGFS funds for FY 2018, and PHMSA has
used the CY 2017 UNGS annual report data to develop the UNGS user fee rate structure for FY 2018. If Congress appropriates UNGS funds for FY 2019, PHMSA plans to use the CY 2017 UNGS annual report data to develop the UNGS user fee rate structure for FY 2019. Specifically, PHMSA will use the number of injection/withdraw wells (section C7) and monitoring/observation wells (section C8) in the rate structure. For the FY 2020 user fee rate structure, PHMSA would use the CY 2018 UNGS annual report data.

For FY 2018, Congress has appropriated $6 million to the Underground Natural Gas Storage Facility Safety Account in the Pipeline Safety Fund. PHMSA has used the following steps to develop the user fee rate structure. PHMSA summed the number of wells from sections C7 and C8 of the annual report for each operator. Once PHMSA determined the number of wells for all UNGS operators, each operator was parsed into one of 10 tiers, based on an ordinal ranking of its well counts compared to other UNGS operators. The operators with the lowest well-count values were placed in tier 1, with the highest operator well-count values in tier 10. The minimum and maximum well counts for each tier were then selected so that an equal number of operators were placed in each tier.

This tiered fee structure is designed to place a larger share of the user fee on operators with higher well counts. Using CY 2017 UNGS annual report data as of May 9, 2018, the following table shows the tier boundaries and user fee for each operator in the tier. When the tier boundary spans two tiers, PHMSA randomly selected operators for the lower tier. For example, four wells is the boundary between Tiers 1 and 2. Seven operators have four wells, but only two operators were randomly selected and placed in Tier 1. The remaining five operators with four wells were placed in Tier 2.

<table>
<thead>
<tr>
<th>Tier</th>
<th>Number of wells</th>
<th>User fee per operator</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>4 wells or less</td>
<td>$12,308</td>
</tr>
<tr>
<td>2</td>
<td>4 to 7 wells</td>
<td>$24,615</td>
</tr>
<tr>
<td>3</td>
<td>7 to 12 wells</td>
<td>$30,769</td>
</tr>
<tr>
<td>4</td>
<td>13 to 19 wells</td>
<td>$36,923</td>
</tr>
<tr>
<td>5</td>
<td>19 to 27 wells</td>
<td>$49,231</td>
</tr>
<tr>
<td>6</td>
<td>28 to 45 wells</td>
<td>$61,538</td>
</tr>
<tr>
<td>7</td>
<td>46 to 68 wells</td>
<td>$73,846</td>
</tr>
<tr>
<td>8</td>
<td>69 to 100 wells</td>
<td>$86,667</td>
</tr>
<tr>
<td>9</td>
<td>101 to 377 wells</td>
<td>$100,000</td>
</tr>
<tr>
<td>10</td>
<td>378 wells or more</td>
<td>166,667</td>
</tr>
</tbody>
</table>

In summary, PHMSA has used UNGS annual report data about the number of wells in the FY 2018 user fee rate structure for the Pipeline Safety Fund’s Underground Natural Gas Storage Facility Safety Account. In future years, the final tier boundaries and user fee per operator may differ slightly from those listed above based on the annual report data at the time the rate structure is established.

Issued in Washington, DC, on August 3, 2018, under authority delegated in 49 CFR 1.97.

Alan K. Mayberry,
Associate Administrator for Pipeline Safety.

DEPARTMENT OF TRANSPORTATION
Pipeline and Hazardous Materials Safety Administration
[Docket No. PHMSA–2018–0078]

Pipeline Safety: Information Collection Activities, Revision to OPID Assignment Request and National Registry Notification

AGENCY: Pipeline and Hazardous Materials Safety Administration (PHMSA), DOT.

ACTION: Notice and request for comments.